

MARATHON AND LOWER KEYS ASSOCIATION OF REALTORS®, INC.

MLS RULES AND REGULATIONS (~~last revised 3/13~~Last revised 1/15, 2/18)

PART 1 - KEY DEFINITIONS

Section 1 Multiple Listing Service

A multiple listing service is:

- A facility for the orderly correlation and dissemination of listing information so participants may better serve their clients and customers and the public
- A means by which authorized participants make blanket unilateral offers of compensation to other participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law)
- A means of enhancing cooperation among participants
- A means by which information is accumulated and disseminated to enable authorized participants to prepare appraisals, analyses, and other valuations of real property for bona fide clients and customers
- A means by which participants engaging in real estate appraisal contribute to common databases.

Entitlement to compensation is determined by the cooperating broker's performance as procuring cause of the sale (or lease).

While offers of compensation made by listing brokers to cooperating brokers through MLS are unconditional, ¹a listing broker's obligation to compensate a cooperating broker who was the procuring cause of a sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially feasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid.

Section 2 Definition of MLS Participant

Where the term REALTOR® is used in this explanation of policy in connection with the word member or the word participant, it shall be construed to mean the REALTOR® principal or principals, of this or any other association, or a firm comprised of the REALTOR® principals participating in a multiple listing service owned and operated by the board. Participatory rights shall be held by an individual principal broker unless determined by the association or MLS to be held by a firm. It shall not be construed to include individuals other than a principal or principals who are REALTOR® members of this or any other association, or who are legally entitled to participate without association membership. However, under no circumstances is any individual or firm, regardless of membership status, entitled to MLS membership or participation unless they hold a current, valid real estate broker's license and offer or accept cooperation and compensation to and from other participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by an association multiple listing

¹ Compensation is unconditional except where local MLS rules permit listing brokers to reserve the right to reduce compensation offers to cooperating brokers in the event that the compensation established in a listing contract is reduced by court action. Refer to Part Two, G., Section 1, Information Specifying the Compensation on Each Listing Filed with a Multiple Listing Service of an Association of REALTORS®, *Handbook on Multiple Listing Policy*.

service is strictly limited to the activities authorized under a participant's licensure(s) or certification and authorized uses are prohibited.

Mere possession of a broker's license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm offers or accepts cooperation and compensation means that the participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. "Actively" means on a continual and ongoing basis during the operation of the participant's real estate business. The "actively" requirement is not intended to preclude MLS participation by a participant or potential participant that operates a real estate business on a part-time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a participant or potential participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the participant or potential participant as long as the level of service satisfies state law.

The key is that the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a participant or potential participant that operates a "Virtual Office Website" (VOW) (including a VOW that the participant uses to refer customers to other participants) if the participant or potential participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a participant or potential participant actively endeavors during the operation of its real estate business to offer or accept cooperation and compensation only if the MLS has a reasonable basis to believe that the participant or potential participant is in fact not doing so. The membership requirement shall be applied in a nondiscriminatory manner to all participants and potential participants.

Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed by or published by an association multiple listing service where access to such information is prohibited by law. Additionally, the foregoing does not prohibit association multiple listing services, at their discretion, from categorizing non-principal brokers, sales licensees, licensed and certified appraisers and others affiliated with the MLS members or participants as users or subscribers and, holding such individuals personally subject to the rules and regulations and any other governing provisions of the MLS and to discipline for violations thereof. MLSs may, as a matter of local determination, limit participatory rights to individual principal brokers, or to their firms, and to licensed or certified appraisers, who maintain an office or Internet presence from which they are available to represent real estate sellers, buyers, lessors or lessees or from which they provide appraisal services.

Where the terms subscriber or user are used in connection with a multiple listing service owned or operated by an association of REALTORS®, they refer to non-principal brokers, sales licensees, and licensed and certified real estate appraisers affiliated with an MLS participant and may, as a matter of local option, also include a participant's affiliated unlicensed administrative and clerical staff, personal assistants, and individuals seeking licensure or certification as real estate appraisers provided that any such individual is under the direct supervision of an MLS participant or the participant's licensed designee. If such access is available to unlicensed or uncertified individuals, their access is subject to the rules and regulations, the payment of applicable fees and charges (if any), and the limitations and restrictions of state law. None of the foregoing shall diminish the participant's ultimate responsibility for ensuring compliance with the rules and regulations of the MLS by all individuals affiliated with the participant.

Under the Board of Choice policy, MLS participatory rights shall be available to any REALTOR® (principal) or any firm comprised of REALTORS® (principals) irrespective of where they hold primary membership subject only to their agreement to abide by any MLS rules or regulations; agreement to arbitrate disputes with other participants; and payment of any MLS dues, fees, and charges. Participatory rights granted under

Board of Choice do not confer voting privileges or eligibility for office as an MLS committee member, officer, or director, except as granted at the discretion of the local board and/or MLS.

The universal access to services component of Board of Choice is to be interpreted as requiring that MLS participatory rights be available to REALTOR® principals, or to firms comprised of REALTOR® principals, irrespective of where primary or secondary membership is held. This does not preclude an MLS from assessing REALTORS® not holding primary or secondary membership locally fees, dues, or charges that exceed those or, alternatively, that are less than those charged participants holding such memberships locally or additional fees to offset actual expenses incurred in providing MLS services such as courier charges, long distance phone charges, etc., or for charging any participant specific fees for optional additional services.

None of the foregoing shall be construed as requiring an association to grant MLS participatory rights, under Board of Choice, where such rights have been previously terminated by action of that association's board of directors.

Section 3 Definitions of Various Types of Listing Agreements

Except where state law provides otherwise, the following terms shall be defined as follows when used in rules and regulations of any multiple listing service owned or operated by one or more associations of REALTORS®.

Exclusive Right-to-Sell Listing: A contractual agreement under which the listing broker acts as the agent or as the legally recognized non-agency representative of the seller(s), and the seller(s) agrees to pay a commission to the listing broker, regardless of whether the property is sold through the efforts of the listing broker, the seller(s), or anyone else; and a contractual agreement under which the listing broker acts as the agent or as the legally recognized non-agency representative of the seller(s), and the seller(s) agrees to pay a commission to the listing broker regardless of whether the property is sold through the efforts of the listing broker, the seller(s), or anyone else, except that the seller(s) may name one or more individuals or entities as exemptions in the listing agreement and if the property is sold to any exempted individual or entity, the seller(s) is not obligated to pay a commission to the listing broker.

Exclusive Agency Listing: A contractual agreement under which the listing broker acts as the agent or as the legally recognized non-agency representative of the seller(s), and the seller(s) agrees to pay a commission to the listing broker if the property is sold through the efforts of any real estate broker. If the property is sold solely through the efforts of the seller(s), the seller(s) is not obligated to pay a commission to the listing broker.

Open Listing: A contractual agreement under which the listing broker acts as the agent or as the legally recognized non-agency representative of the seller(s), and the seller(s) agrees to pay a commission to the listing broker only if the property is sold through the efforts of the listing broker.

Note: These definitions are provided to facilitate categorization of listings in MLS compilations. In any area of conflict or inconsistency, state law or regulation takes precedence. If state law permits brokers to list property, on either an exclusive or open basis, without establishing an agency relationship, listings may not be excluded from MLS compilations on the basis that the listing broker is not the seller's agent.

Section 4 Listing Content Defined

"Listing content" as used in the National Association's multiple listing policies, including the model MLS rules and regulations, includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property.

PART 2 - POLICIES

A. MLS Antitrust Compliance Policy

The purpose of multiple listing is the orderly correlation and dissemination of listing information to participants so they may better serve the buying and selling public. Boards and associations of REALTORS® and their multiple listing services shall not enact or enforce any rule which restricts, limits, or interferes with participants in their relations with each other, in their broker/client relationships, or in the conduct of their business in the following areas.

Boards and associations of REALTORS® and their MLSs shall not:

1. Fix, control, recommend, or suggest the commissions or fees charged for real estate brokerage services (Interpretation 14).
2. Fix, control, recommend, or suggest the cooperative compensation offered by listing brokers to potential cooperating brokers.
3. Base dues, fees, or charges on commissions, listed prices, or sales prices. Initial participation fees and charges should directly relate to the costs incurred in bringing services to new participants.
4. Modify, or attempt to modify, the terms of any listing agreement; this does not prohibit administrative corrections of property information necessary to ensure accuracy or consistency in MLS compilations.
5. Refuse to include any listing in an MLS compilation solely on the basis of the listed price.
6. Prohibit or discourage participants from taking exclusive agency listings or refusing to include any listing in an MLS compilation solely on the basis that the property is listed on an exclusive agency basis.
7. Prohibit or discourage participants from taking "office exclusive" listings; certification may be required from the seller or listing broker that the listing is being withheld from the MLS at the direction of the seller.
8. Give participants or subscribers blanket authority to deal with or negotiate with buyers or sellers exclusively represented by other participants (Interpretation 10).
9. Establish, or permit establishment of, any representational or contractual relationship between an MLS and sellers, buyers, landlords, or tenants.
10. Prohibit or discourage cooperation between participants and brokers that do not participate in the MLS.
11. Prohibit or discourage participants or subscribers from participating in political activities (Interpretation 15).
12. Interfere in or restrict participants in their relationships with their affiliated licensees (Interpretations 16 and 17).

As used in this policy, "rule" includes all rules, regulations, bylaws, policies, procedures, practices, guidelines, or other governance provisions, whether mandatory or not. "Multiple listing service" and "MLS" means multiple listing service committees of boards and associations of REALTORS® and separately-incorporated multiple listing services owned by one or more boards or associations of REALTORS®.

These policy prohibitions are subject to and limited by applicable statutes, ordinances, and governmental regulations, to agreements entered into by an MLS or board or association of REALTORS® and an agency of government, and to final decrees of courts or administrative agencies.

This policy does not prohibit boards or associations of REALTORS® or their MLSs from adopting rules or policies establishing the legitimate uses of MLS information, from prohibiting unauthorized uses of MLS information, or from establishing rules or policies necessary to prevent illegal collective action, including price-fixing and boycotts.

It is the duty and responsibility of all boards and associations of REALTORS® and MLSs owned by or controlled by boards or associations of REALTORS® to ensure that all bylaws, rules, regulations, and other governance provisions comply with all mandatory multiple listing policies of the NATIONAL ASSOCIATION OF REALTORS®. Boards and associations of REALTORS® failing to conform with these policies will be required to show cause why their charters should not be revoked.

The numbered references refer to the official interpretations of Article I, Section 2 of the bylaws of the NATIONAL ASSOCIATION OF REALTORS®.

B. Structure

Section 1 Types of Multiple Listing Services

Basically there are two types of multiple listing activities used by associations of REALTORS®. The essential characteristics of each may be summarized as follows:

1. A multiple listing activity available for voluntary participation, but requiring members (principals) who participate to submit all listings of designated types of property, is termed “a mandatory listing service.”

The mandatory service permits each REALTOR® to decide whether or not multiple listing is consistent with the REALTOR®’s method of doing business. If a decision is made to participate in the activity, however, then all listings covered by the rules are required to be submitted.

2. A multiple listing activity available to all members (principals), but the submission of any listing is an option of the member; this is termed “a voluntary listing service.”

Note: Any multiple listing activity in which it is compulsory that all members of an association of REALTORS® participate and submit information on all designated types of listings would be in direct conflict with the National Association’s bylaws, Article I, Section 2, which bans the adoption by associations of REALTORS® of inequitable limitations on membership. On November 15, 1960, the Board of Directors of the National Association officially adopted the following interpretation: “A requirement to participate in a multiple listing service in order to gain or maintain REALTOR® membership is an inequitable limitation on membership.”

Section 2 Association and MLS Compliance with National Association Policy

Those associations or multiple listing services found by the National Association to be operating under bylaws or rules and regulations not approved by the National Association are not entitled to errors and omissions insurance coverage and their charters are subject to review and revocation.

Section 3 MLS Reciprocal Agreements Between Associations, Contract Service for MLS, or Other Association Agreements Concerning the Association MLS

If an agreement is in effect or being considered between associations of REALTORS® or between MLSs for establishment of an MLS cooperative venture of any type, the agreement should be in writing including, but not limited to, the following items:

1. purpose of the agreement
2. geographic territory to be served
3. rights and responsibilities of each association and its members
4. form of governing body
5. method of appointment or election of such governing body
6. responsibilities and accountability of the governing body to the respective associations party to the agreement
7. roles and responsibilities of each association for enforcement of the Code of Ethics and for dispute resolution between MLS participants
8. intent of the multiple listing service(s) to operate in compliance with the multiple listing policies of the National Association

9. terms and procedures for resolving controversies between associations or between the association and the MLS. The agreement should also specify the terms under which the agreement may be terminated
10. rights and responsibilities of recipients of data related to relicensing of data

Section 4 Relationship of Association with Independent Multiple Listing Service in Association Area

No association may make or maintain any rule prohibiting a REALTOR® from participating in an independent multiple listing service. Associations shall take every action necessary to avoid responsibility and liability for the policies, practices, conduct and activities of any unaffiliated multiple listing service not owned and operated by it. In this connection the association shall document by letter to such independent multiple listing service that the association has no relationship or agreement with the service, no jurisdiction over the service, and no responsibility for it.

This policy statement is not intended to prohibit associations from entering into cooperative relationships with independent multiple listing services (that limit participation to appropriately licensed or certified individuals or firms), including reciprocity agreements, regionalization agreements, and other forms of cooperative venture.

Such agreements may limit coverage under the National Association's blanket errors and omissions insurance policy and associations will want to ascertain the extent of insurance coverage, and the availability of coverage from other sources, prior to entering into such agreements.

Explanation: A primary responsibility of an association of REALTORS® is to protect the interests of the association and its members. With respect to an unaffiliated independent multiple listing service not owned or controlled by the association, or that is not party to an agreement with the association, the association has no jurisdiction over such multiple listing service and can, therefore, assume no responsibility for it or its actions. Positive effort should, therefore, be made to establish clearly that there is no relationship between the association of REALTORS® and the independent multiple listing service even though some or all of the multiple listing service participants may also be members of the association, and that no direct or indirect control is exercised by the association in connection with said independent multiple listing service. Such effort by the association should be documented to provide a basis for extricating the association from any litigation which may be brought against the independent multiple listing service and which may also name the association as a party to such litigation.

Section 5 Information Related to Listings of Commercial and Industrial Property

An association or association MLS may also publish a compilation of commercial and industrial properties listed with association or MLS members so that prospective cooperating brokers will have the opportunity to contact the listing broker to learn the terms of any cooperative relationship the listing broker wishes to establish. Such a mechanism is not a multiple listing service. If an association or association MLS provides this type of informational function (commonly referred to as a commercial information exchange or CIE) to its members, it shall not publish either the total commission negotiated between the listing broker and the seller or any offers of compensation to cooperating brokers. If a relationship is established between the listing broker and a prospective cooperating broker, it is strongly recommended that the terms and conditions be established in writing prior to the time the cooperating broker commences any efforts to produce a prospective purchaser or lessee. None of the foregoing is intended to preclude a CIE from providing, as a matter of local determination, access to information from CIE compilations to affiliate members of associations or to others engaged in recognized fields of real estate practice or in related fields.

Section 6 Jurisdiction of Association MLS

The jurisdiction of multiple listing services owned and operated by associations of REALTORS® is not limited to the jurisdiction of the parent association(s) of REALTORS®. Rather, associations are encouraged to establish multiple listing services that encompass natural market areas and to periodically reexamine such boundaries to ensure that they encompass the relevant market area. While associations are encouraged to work cooperatively to establish market area multiple listing services, the absence of such an agreement shall not preclude any association from establishing and maintaining a multiple listing service whose territory exceeds that of the parent association. Where the territory of an MLS exceeds that of the parent association(s), the authority of the MLS to require offices of a participant or a participant's firm to participate in the MLS is limited to offices located within the jurisdiction of the association(s) of REALTORS® that own and operate the MLS or that are parties to a multi-association or regional MLS service agreement. MLSs may, as a matter of local determination, require that each of a firm's offices located within the jurisdiction of the association(s) that own and operate the MLS or that are parties to a multi-association or regional MLS service agreement participate in the MLS if any office of that firm participates in that MLS.

C. Administration

Operational Issues

Section 1 Procedures to be Followed by an Association of REALTORS® Upon Demand for Access to Association's MLS without Association Membership

In states other than California, Georgia, Alabama, and Florida, whenever an association is confronted with a request or demand by an individual for access to the association's multiple listing service without membership in the association, member associations are advised that the association should immediately advise both the state association and the Member Policy Department of the National Association, and the recommended procedures will be provided to the member association with any other pertinent information or assistance. It is important that the state association and National Association be advised immediately if such request or demand for access to the association MLS as described is received.

Section 2 Prerequisites for Participation in or Access to a Commercial/Industrial MLS of an Association of REALTORS®

An association may require any applicant for commercial information exchange participation or commercial/industrial MLS participation and any licensee affiliated with the CIE or C/I MLS participant who has access to and use of CIE or C/I MLS-generated information to complete an orientation program of no more than twelve (12) classroom hours devoted to the CIE or C/I MLS rules and regulations and computer training related to the CIE or C/I MLS information entry and retrieval.

Note: Associations are not required to establish prerequisites for CIE or C/I MLS participation beyond holding REALTOR® (principal) membership in an association. However, if an association wishes to establish prerequisites for CIE or C/I MLS participation or access to CIE or C/I MLS-generated information, the requirement of attendance at an orientation program is the most rigorous prerequisite that may be required.

Section 3 MLS Indoctrination Requirements Relating to Individuals Entitled to Participation without Association Membership

In processing the application of an individual entitled by law to MLS participation without REALTOR® membership, the listing information and services shall be promptly provided upon completion of the following:

1. confirmation applicant has a valid, current, real estate license or certificate

2. applicant's written application and agreement to abide by the MLS rules and regulations
3. applicant's completion of any required MLS orientation on MLS bylaws, MLS rules and regulations, other MLS related policies or procedures, and computer training related to MLS information entry and retrieval within a reasonable time not to exceed thirty (30) days, and
4. payment of all required initial MLS fees or charges

If any examination on the MLS orientation is given, it shall be an open-book, no-pass, no-fail examination for programmed learning purposes only.

Section 4 Inclusion of Exclusive Agency Listings in MLS Compilations and Databases

Multiple listing services shall not establish or maintain any rule or policy prohibiting inclusion of exclusive agency listings that would be otherwise acceptable for inclusion in the compilation of current listing information.

Explanation: This policy shall not be construed as requiring participants to accept exclusive agency listings if they determine acceptance is not in their best interest or the best interest of clients or customers. However, this policy does preclude collective agreements between participants affiliated with different firms or others to refuse to accept exclusive agency listings or to refuse to accept offers of compensation extended through the multiple listing service or otherwise. This policy contemplates multiple listing services will clearly distinguish between exclusive right-to-sell and exclusive agency listings in multiple listing compilations and databases to prevent confusion about the rights and obligations of brokers who cooperate in the sale of such listings.

Section 5 Effective Date of Changes in Multiple Listing Policy

To ensure consistent, uniform understanding of and compliance with the multiple listing policies of the National Association, all changes incorporated into the National Association's *Handbook on Multiple Listing Policy* become effective only upon publication of a new edition of the *Handbook* and that a new edition of the *Handbook* be published annually, superseding and replacing all prior editions.

Section 6 Factual Data Submitted by Appraisers

Association multiple listing services should encourage appraiser-participants to contribute factual data related to properties sold and closed which are not otherwise reported through MLS when the submission of such data is not in violation of the appraiser/client relationship.

Section 7 Names of Multiple Listing Services

The names of association owned or operated multiple listing services (including multi-association and regional multiples) should rationally relate to the area served. Challenges by other associations to the appropriateness of any name utilized shall be considered and determined by the board of directors of the state association if attempts to resolve the conflict locally fail. Documentation of the attempt to resolve the conflict shall be forwarded to the state association. Challenges to the names of multiple listing services with multi-state jurisdictions shall be resolved by the National Association. The chairperson of the multiple listing policy committee shall appoint a panel of committee members to hear the challenge, and forward its recommendations to the National Association's Board of Directors for final disposition. Challenges to pre-existing names must be filed within one (1) year following the January 1, 1993 effective date. Existing in-state multiple listing services shall be grandfathered as to their names. Each state association shall have the right to override the grandfather provision by a two-thirds (2/3) vote of its board of directors.

Section 8. Categorization of MLS Services, Information and Products.

Pursuant to changes to MLS Policy Statement 7.57, MLS's may, as a matter of local discretion, include the costs of lockbox equipment (e.g., lockboxes, keys, programmers, fobs, software, etc.) in "basic" MLS dues, fees, and charges. Please see MLS Policy Statement 7.57 (reprinted below) for more detailed information on certain limitations that may exist. Additionally, we respectfully request this provision be updated with the latest language.

Policy Statement 7.57 - Categorization of MLS Services, Information, and Products

The services, information, and products that multiple listing services provide to participants and to subscribers affiliated with participants may be categorized as core, as ancillary to the core but included in a basic package of MLS services as determined locally and provided to all MLS participants and subscribers automatically or on a discretionary basis, or as optional and available to participants and subscribers at their discretion. The following will guide MLSs in categorizing their services, information, and products.

Core: Core MLS information, services, and products are essential to the effective functioning of MLS, as defined, and include:

- active listing information
- information communicating compensation to potential cooperating brokers

Core services include the mechanisms (print or electronic or both) by which this information is communicated between participants and the MLS.

Where MLS participation is available to non-member brokers or their firms, either by law or by local decision, the information, services, and products available to such participants may be limited to those categorized as core.

Basic: In addition to core services, an MLS may automatically or on a discretionary basis provide additional information services and products substantially related to the purpose and function of MLS such as, but not limited to:

- sold and comparable information
- pending sales information
- expired listings and "off market" information
- tax records
- zoning records/information
- title/abstract information
- mortgage information
- amortization schedules
- mapping capabilities
- statistical information
- public accommodation information (e.g., schools, shopping, churches, transportation, entertainment, recreational facilities, etc.)
- MLS computer training/orientation
- access to affinity programs
- establishment, maintenance, and promotion of public-facing websites

Optional: An MLS may not require a participant to use, participate in, or pay for the following optional information, services, or products:

- lock box equipment including lock boxes (manual or electronic), combination lock boxes, mechanical keys, and electronic programmers or keycards
- advertising or access to advertising (whether print or electronic), including classified advertising, homes-type publications, and electronic compilations, including participant, subscriber or firm homepages or websites

Notwithstanding the foregoing, where permitted by law*, an MLS may treat Optional information, services, or products as Basic provided that the MLS does not receive an economic benefit from the arrangement as demonstrated by satisfying both of the following conditions:

- 1) The MLS or its shareholder(s) is not the seller, lessor or licensor of the information, service, or product (i.e., the information, service, or product is sourced from an independent third party); and
- 2) The MLS does not make a profit or receive a commission or rebate based on the sale, lease, or license that exceeds the operational costs of providing the information, service, or product.

While no participant can be required to use, participate in, or pay for information, services, or products defined in this policy statement as optional, an MLS may, as a matter of local determination, bill all participants (or, where appropriate, subscribers) for optional information, services, or products provided that participants (or, where appropriate, subscribers) may decline such information, services, or products and not be charged for them. In such cases, the MLS must make all participants and subscribers aware, in advance, of their right to decline any such service, product, or information.

None of the foregoing precludes an association or MLS from utilizing association or MLS reserves, dues, or fees or special assessments (as otherwise provided for in the association or MLS governing documents) to acquire assets (including hardware and software) necessary to make optional information, services, or products available to participants and subscribers, provided any funds used to acquire assets or initiate services will be reimbursed out of the proceeds realized from the sale or lease of such information, services, or products. Associations of REALTORS® and MLSs may make nominal administrative expenditures out of reserves, dues, or fees to initiate or maintain optional services and products.

*MLSs in the following states/territories may not treat Optional information, services, or products as Basic: States within the First, Second and Eight United States Circuits that include Arkansas, Connecticut, Iowa, Maine, Massachusetts, Minnesota, Missouri, Nebraska, New Hampshire, New York, North Dakota, Puerto Rico, Rhode Island, South Dakota, and Vermont. (Amended 11/13) (Amended 11/14)

Section 8 Categorization of MLS Services, Information, and Products

~~The services, information, and products that multiple listing services provide to participants and to subscribers affiliated with participants may be categorized as core, as ancillary to the core but included in a basic package of MLS services as determined locally and provided to all MLS participants and subscribers automatically or on a discretionary basis, or as optional and available to participants and subscribers at their discretion. The following will guide MLSs in categorizing their services, information, and products.~~

~~**Core:** Core MLS information, services, and products are essential to the effective functioning of MLS, as defined, and include:~~

- ~~● current listing information~~
- ~~● information communicating compensation to potential cooperating brokers~~

~~Core services include the mechanisms (print or electronic or both) by which this information is communicated between participants and the MLS. Where MLS participation is available to non member brokers or their firms, either by law or by local decision, the information, services, and products available to such participants may be limited to those categorized as core.~~

~~**Basic:** In addition to core services, an MLS may also provide additional information and services in a basic package of MLS information, services, and products, as determined locally and provided automatically or on a discretionary basis, such as:~~

- ~~● sold and comparable information~~
- ~~● pending sales information~~
- ~~● expired listings and "off market" information~~
- ~~● tax records~~
- ~~● zoning records/information~~
- ~~● title/abstract information~~
- ~~● mortgage information~~
- ~~● amortization schedules~~
- ~~● mapping capabilities~~
- ~~● statistical information~~
- ~~● public accommodation information (e.g., schools, shopping, churches, transportation, entertainment, recreational facilities, etc.)~~
- ~~● MLS computer training/orientation~~

- ~~access to affinity programs~~

~~Optional: An MLS may not require a participant to use, participate in, or pay for the following optional information, services, or products:~~

- ~~lock box equipment including lock boxes (manual or electronic), combination lock boxes, mechanical keys, and electronic programmers or keycards~~
- ~~advertising or access to advertising (whether print or electronic), including classified advertising, homes type publications, electronic compilations, including Internet home pages or websites, etc.~~

~~While no participant can be required to use, participate in, or pay for information, services, or products defined in this policy statement as optional, an MLS may, as a matter of local determination, bill all participants (or, where appropriate, subscribers) for optional information, services, or products provided that participants (or, where appropriate, subscribers) may decline such information, services, or products and not be charged for them. In such cases, the MLS must make all participants and subscribers aware, in advance, of their right to decline any such service, product, or information.~~

~~None of the foregoing precludes an association or MLS from utilizing association or MLS reserves, dues, or fees or special assessments (as otherwise provided for in the association or MLS governing documents) to acquire assets (including hardware and software) necessary to make optional information, services, or products available, nor does it preclude an association or MLS from making nominal administrative expenditures out of such funds to initiate or maintain such optional services.~~

Section 9 Changes in MLS Rules and Regulations

Amendments to MLS rules and regulations are subject to approval by the board of directors of the parent association(s) of REALTORS®.

Section 10 Nonmember Broker/Appraiser Access

MLSs may, as a matter of local discretion, make limited participation in MLS available to all brokers (principals) and firms comprised of brokers (principals) and to licensed or certified real estate appraisers (principals) and firms comprised of licensed or certified real estate appraisers. Limitations on participatory rights, if any, shall be determined locally.

Section 11 Removal of Listings When Participant Refuses/Fails to Timely Report Status Changes

Notwithstanding the limitations established in the *Code of Ethics and Arbitration Manual* or in other National Association policy, multiple listing services operated as committees of associations of REALTORS® or as separate, wholly-owned subsidiaries of one or more associations of REALTORS® are authorized to remove any listing from the MLS compilation of current listings where the participant has refused or failed to timely report status changes. Prior to the removal of any listing from the MLS, the participant shall be advised of the intended removal so the participant can advise his or her client(s).

Section 12 Real Estate Transaction Standards (RETS)

The integrity of data is a foundation to the orderly real estate market. The Real Estate Transaction Standards (RETS) provide a vendor neutral, secure approach to exchanging listing information between the broker and the MLS. In order to ensure that the goal of maintaining an orderly marketplace is maintained, and to further establish REALTOR® information as the trusted data source, MLS organizations owned and operated by associations of REALTORS® will comply with the RETS standards by December 31, 2009, and keep current with the standard's new versions by implementing new releases of RETS on at least one of the MLS's servers within one (1) year from ratification. Compliance with this requirement can be demonstrated using the Real Estate Standards Organization (RESO) compliance checker.

Section 13 Orientation and Other Training

Multiple listing services may, as a matter of local discretion, require applicants for MLS participation and licensees (including licensed or certified appraisers) affiliated with an MLS participant who have access to and use of MLS-generated information to complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations, computer training related to MLS information entry and retrieval, and the operation of the MLS within thirty (30) days after access has been provided. Participants and subscribers may also be required, at the discretion of the MLS, to complete additional training of not more than four (4) classroom hours in any (12) twelve month period when deemed necessary by the MLS to familiarize participants and subscribers with system changes or enhancements and/or changes to MLS rules or policies. Participants and subscribers must be given the opportunity to complete any mandated additional training remotely.

Section 14 Submission of Photographs, ~~or~~ Other Graphic Representations and Consumer Remarks information:

Multiple Listing Services may, as a matter of local discretion, require submission of a reasonable number of photographs or other graphic representations that accurately depict listed property except where sellers expressly direct that photographs of their property not appear in MLS compilations.

- o (All MLS photos are copyrighted by the MLKAR MLS)
- o All photographs entered into the MLS service by listing broker is giving the service perpetual, unconditional, intellectual property licensing. Submission of photographs to the MLS service by a broker constitutes a waiver of any intellectual property rights owned by the broker and further, by submitting the photograph, the broker attests that a written release of all intellectual property rights has been obtained by the photographer.
- o Agents must have permission to use any and all photographs, videos and virtual tours that they did not take themselves prior to entering them into the MLS system.
- o An agent has 48 hours from date they enter a listing into the MLS system to add at least one photo of the front of the home or property.
- o Lifestyle photos are allowed in the MLS system, but must adhere to the rules regarding branding (Agents cannot be in the picture).
- o No use of deceptive or misleading representation of property condition allowed. (rev 2/18)

The Listing / Public / Consumer Remarks and Documents shall not include any of the following:

- i. Contact, personal, or professional information about the Participant or User
- ii. Any reference to a lockbox agreement
- iii. Website links, Website Names or Third Party Company Name or Contact Information
- iv. User or Company information.
- v. Vendor or third party service provider information
- vi. Owner(s) of record name or contact information
- vii. Showing Instructions
- viii. Open House information
- ix. Inappropriate information or language

(rev. 1/15)

Section 15 Submission of Legally-required Seller Disclosure Information

Multiple Listing Services may, as a matter of local discretion, require submission of all legally-required seller disclosure information except where sellers expressly direct that such disclosure documents not be disseminated through MLS.

Section 16 Price Change Information

MLSs are not required to track or report price change information other than the most recent increase or decrease in the price of current listings. If such information (either with respect to a current listing or to prior listings of that property) is tracked by an MLS and made available to participants and subscribers, neither it nor any information from which it may be determined shall be classified as confidential nor may participants be prohibited from making such information available to clients and customers pursuant to the same rules governing dissemination of other non-confidential data fields. Classification as non-confidential permits inclusion of such information in advertisements, including IDX display, of other participants' listings as a matter of local option.

Section 17 Days/Time on Market Information

MLSs are not required to track or report days/time on market information (i.e., the length of time a property has been listed for sale pursuant to a current listing agreement or prior listing agreements, whether with the same or different listing brokers or firms). If such information is tracked by an MLS and made available to participants and subscribers, neither it nor any information from which it may be determined (such as the current list date, or prior list and expiration dates) shall be classified as confidential, nor may participants be prohibited from making such information available to clients or customers pursuant to the same rules governing dissemination of other non-confidential data fields. Classification as non-confidential permits inclusion of such information in advertisements, including IDX display, of other participants' listings as a matter of local option.

Section 18 Need to Disclose if Property is a Foreclosure, Bank-owned or Real Estate Owned (REO)

As a matter of local discretion, Multiple Listing Services may require participants to disclose if a listed property is a foreclosure, bank-owned, or real estate owned ("REO").

Finance

Section 1 Waivers of MLS Fees, Dues and Charges

Recurring MLS fees, dues, and charges may be based upon the total number of real estate brokers, sales licensees, and licensed or certified real estate appraisers affiliated with or employed by an MLS participant when related to the operation of a computerized MLS system that provides information and services in addition to the compilation of current listing information.

Section 2 Assessment of MLS Fees, Dues and Charges

All MLS fees, dues, and charges, including, but not limited to, initial participation fees, recurring participation fees, listing origination fees, subscription fees, etc., may be assessed to MLS participants or to individual users or subscribers. This does not preclude an MLS participant from being reimbursed by affiliated licensees for fees or charges incurred on their behalf pursuant to any in-house agreement that may exist. If direct billing of subscribers is utilized, the ultimate responsibility for delinquent dues, fees, and charges is that of the participant, unless an MLS, by adoption of appropriate rules or bylaws, makes subscribers exclusively responsible for such financial obligations.

Section 3 Merger or Dissolution of an Association or MLS

In cases of merger or dissolution of an association of REALTORS® or an MLS, the advice of the organization(s) accountant or tax advisor should be sought.

Law

Postal Regulations

Section 1 Compliance with US Postal Codes

Associations of REALTORS® and their multiple listing services should comply with the requirements of the United States postal statutes as they relate to delivery of multiple listing service information, and in particular *Volume 39, Code of Federal Regulations, Part 320, Suspension of the Private Express Statutes; Extremely Urgent Letters*, found in the *Federal Register, Volume 44, Number 207, Wednesday, October 24, 1979, page 61178*.

Tax Exempt Status of an Association of Realtors

Section 2 Assessment of MLS Fees, Dues, and Charges

The tax exempt status of an association of REALTORS® can be jeopardized if it includes the names of REALTORS® in advertisements it places.

Section 501(c)(6) of the Internal Revenue Code provides for the exemption of a real estate association which is not organized for profit provided no part of the net earnings of the association inures to the benefit of any private shareholder or individual.

Revenue Ruling 65-14, C.B. 1965-1, 236 holds that the publication of advertisements containing listings of the names of individual members constitutes advertising for the individuals so advertised and is thus considered the performance of particular services for such individuals rather than an activity aimed at improvement of general business conditions. Section 1.501(c)(6)-1 of the Income Tax Regulations confines the activities of a real estate association exempt under Section 501(c)(6) to those directed to the improvement of business conditions of one or more lines of business rather than the performance of particular services for individual persons.

Registered Multiple Listing Service mark of the National Association of REALTORS®

Section 3 Nature of Service Mark and Necessity to Effect License Agreement to Use

The NATIONAL ASSOCIATION OF REALTORS® has approved for use by chartered associations of REALTORS® and their members, a standard multiple listing service mark. However, the standard service mark may not be used without a license from the NATIONAL ASSOCIATION OF REALTORS®. Such license will be granted only to those associations of REALTORS® that own and/or control the multiple listing activity and only to such associations the governing documents of which have been approved as being in compliance with multiple listing policy of the National Association. Further, the design must not be used as a lapel pin or any type of jewelry.



Section 4 How to Secure Authorization to Use a Service Mark

To secure a license to use the multiple listing service mark, please obtain two (2) copies of the license agreement for use of the MLS service mark by an association from Board Policy and Programs, National Association (*See Appendix 4*). Complete in duplicate and mail both copies to the NATIONAL

ASSOCIATION OF REALTORS®. A copy of the association's bylaws providing for a multiple listing service

owned and/or controlled by the applicant association, and a copy of the multiple listing service rules and regulations must be submitted for review by the National Association.

Upon approval, the NATIONAL ASSOCIATION OF REALTORS® will complete the agreement, with appropriate signatures affixed thereto, and will return one copy to the association of REALTORS® authorizing the use of the service mark.

Section 5 Special Note Concerning MLS Service Mark

The NATIONALASSOCIATION OF REALTORS® grants no variation of the design of the standard MLS service mark. Further, the National Association will not review and authorize any multiple listing service insignia other than its own service mark. Further, the term REALTOR® may not, in any instance, be used in connection with any multiple listing service not owned and/or controlled by an association of REALTORS®.

Section 6 Use of MLS Logo by Nonmember Participants

In any state where law requires that brokers (principals) who are not REALTORS® be admitted to the multiple listing service of an association of REALTORS®, or in any association which has voluntarily opened its MLS to nonmember brokers and/or appraisers, the official registered multiple listing service logo of the National Association should not be used by such a non-association member. Such use would be a misrepresentation and would violate the registration rights of the NATIONAL ASSOCIATION OF REALTORS®, the lawful owner of said collective service mark. Where such non-association member advertises that he is a member of the multiple listing service of an association of REALTORS®, the multiple listing service may properly require that such participant of the service additionally indicate in his advertisement that he is not a member of the association of REALTORS®.

Other Legal Issues

Section 7 Compliance with Law by Association and MLS

The multiple listing policy of the National Association shall in no instance be interpreted as requiring any constituent member association or association member to adopt or follow any policy which would contravene law applicable to such member association or association member.

D. Data

Current Listings

Section 1 Standard Forms

Multiple listing services shall not require participants to enter into listing agreements using a form other than the form a participant individually chooses to use. Multiple listing services may refuse to accept any listing which fails to adequately protect the interests of the public and other participants, and shall not accept any listing which establishes a contractual relationship between the MLS and a participant's client.

Section 2 Termination Dates

All listings filed with the multiple listing service shall include the definite and final termination date as negotiated between the participant and the seller.

Section 3 Net Listings

Multiple listing services shall not include net listings in compilations of current listing information.

Section 4 Open Listings

Except where required by law, multiple listing services shall not include open listings in MLS compilations since open listings generally do not include authority to cooperate with and compensate other brokers.

Section 5 Office Exclusive Listings

If a seller withholds consent for a listing to be published in an MLS compilation of current listings, such listings shall be filed with the MLS but not disseminated to other participants. As a matter of local discretion, certification ~~may be~~ required from the seller ~~or from the listing broker~~ that the listing is being withheld from the MLS at the direction of the seller.

Section 6 Listing Prices Specified

The full gross listing price stated in each listing agreement will be published in MLS compilations of current listings except where a property is subject to auction and no listed price is specified in the agreement.

Section 7 Auction Listings

Multiple listing services may, as a matter of local discretion, accept exclusively-listed property subject to auction. Where listings subject to auction do not include a listed price, they may be published in a separate section of the MLS compilation of current listings.

Section 8 Limited Service Listings

MLSs may, as a matter of local discretion, categorize listings as limited service in instances where listing brokers, pursuant to their listing agreements, will not provide one or more of the following services:

- a. arrange appointments for cooperating brokers to show listed properties to potential purchaser(s) but instead give cooperating brokers authority to make such appointments directly with seller(s)
- b. accept and present to seller(s) offers to purchase procured by cooperating brokers but instead give cooperating brokers authority to present offers directly to seller(s)
- c. advise seller(s) as to the merits of offers to purchase
- d. assist seller(s) in developing, communicating, or presenting counter-offers
- e. participate on seller's(s') behalf in negotiations leading to the sale of the listed property

Section 9 MLS Entry-only Listings

Multiple listing services may, as a matter of local discretion, categorize listings as MLS entry-only in instances where listing brokers, pursuant to their listing agreements, will not provide any of the following services:

- a. arrange appointments for cooperating brokers to show a listed property to potential purchaser(s) but instead give cooperating brokers authority to make such appointments directly with seller(s)
- b. accept and present to seller(s) offers to purchase procured by cooperating brokers but instead give cooperating brokers authority to present offers directly to seller(s)
- c. advise seller(s) as to the merits of offers to purchase
- d. assist seller(s) in developing, communicating, or presenting counter-offers
- e. participate on seller's(s') behalf in negotiations leading to the sale of the listed property

Section 10 Listings of Suspended Participants

When an MLS participant is suspended from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, association bylaws, MLS bylaws, MLS rules and regulations, or other membership duties except for failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS by the suspended participant shall, at the participant's option, be retained in the MLS until

sold, withdrawn, or expired. Such listings shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the suspension became effective. If a participant is suspended from an association of REALTORS® (except where MLS participation without association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, the MLS is not obligated to provide MLS services, including continued inclusion of a suspended participant's listings in the MLS compilation of current listing information. Prior to removal of a suspended participant's listings from MLS, the suspended participant shall be advised in writing of the intended removal so that the suspended participant's clients can be advised.

Section 11 Listings of Expelled Participants

When an MLS participant is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, association bylaws, MLS bylaws, MLS rules and regulations, or other membership duties except for failure to pay appropriate dues, fees, or charges), all listings currently filed with the MLS by the expelled participant shall, at the participant's option, be retained in the MLS until sold, withdrawn, or expired. Such listings shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the expulsion became effective. If a participant is expelled from an association of REALTORS® (except where MLS participation without association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees, or charges, the MLS is not obligated to provide MLS services, including continued inclusion of an expelled participant's listings in the MLS compilation of current listing information. Prior to removal of an expelled participant's listings from the MLS, the expelled participant shall be advised in writing of the intended removal so that the expelled participant's clients can be advised.

Section 12 Listings of Resigned Participants

When a participant resigns from the MLS, the MLS is not obligated to provide MLS services, including continued inclusion of a resigned participant's listings in the MLS compilation of current listing information. Prior to removal of a resigned participant's listings from the MLS, the resigned participant shall be advised in writing of the intended removal so that the resigned participant's clients can be advised.

Section 13 Submission of Offers

As required by Standard of Practice 1-7, listing brokers will continue to submit written offers to their seller-clients until closing unless precluded by law, government rule or regulation or unless agreed otherwise in writing between the seller and the listing broker. Except where a subsequent offer is contingent upon termination of an existing contract, listing brokers shall recommend that sellers obtain the advice of legal counsel prior to accepting any subsequent offer.

Section 14 Reporting Resolutions of Contingencies

MLS participants shall report that any contingency on file with the MLS has been fulfilled or renewed, or the agreement cancelled within twenty-four (24) hours.

Section 15 Reporting Cancellation of Pending Sales

MLS participants shall promptly report to MLS that a pending sale has been cancelled and the listing, if still in effect, will be reinstated in the MLS compilation.

Section 16 Information Included in any Association MLS Compilation

The National Association recommends to its associations and their multiple listing services that the information included in any MLS compilation should be limited to information related to the sale of listed

property which is objective and capable of being verified by any interested party. The MLS information should not include any subjective impressions or opinions that could be misunderstood or misconstrued.

Section 17 Protection Clauses in Association MLS Standard Listing Contracts

Any broker protection clause which is contained in a standard listing form established and recommended by a multiple listing service for the use of MLS participants shall not contain any specific time period therein, but shall contain a blank space to indicate that the time period of such protection period is negotiable between the property owner and the listing broker.

Section 18 Compilation of Current Listing Information

Any compilation of current listing information shall display the following notice in a conspicuous manner:

Notice to Association Members

Under the long-established policy of this association, the (state) association of REALTORS®, and the NATIONAL ASSOCIATION OF REALTORS®:

- 1. The broker's compensation for services rendered in respect to any listing is solely a matter of negotiation between the broker and his or her client, and is not fixed, controlled, recommended, or maintained by any persons not a party to the listing agreement.*
- 2. The compensation paid by a listing broker to a cooperating broker in respect to any listing is established by the listing broker and is not fixed, controlled, recommended, or maintained by any persons other than the listing broker.*

In addition, it is recommended that all associations publish this notice to their general membership at least annually. Every association operating a multiple listing service is required to certify to the National Association that the notice to association members concerning the negotiability of brokerage commissions, subagency compensation, and compensation to buyer's agents has been reproduced in their compilation of current listing information. Further, associations that do not operate an MLS shall publish the notice to association members in their newsletter or other vehicle for membership information dissemination and shall so certify to the National Association.

Section 19 Reproduction of MLS Information

Reproduction of MLS-generated information is subject to the following limitations:

Participants or their affiliated licensees shall not reproduce any MLS compilation or any portion thereof, except in the following limited circumstances:

Participants or their affiliated licensees may reproduce from the MLS compilation and distribute to prospective purchasers a reasonable number of single copies of property listing data contained in the MLS compilation which relate to any properties in which the prospective purchasers are or may, in the judgment of the participant or their affiliated licensees, be interested.

Reproductions made in accordance with this rule shall be prepared in such a fashion that the property listing data of properties other than that in which the prospective purchaser has expressed interest, or in which the participant or the affiliated licensees are seeking to promote interest, does not appear on such reproduction.

Nothing contained herein shall be construed to preclude any participant from utilizing, displaying, distributing, or reproducing property listing sheets or other compilations of data pertaining exclusively to properties currently listed for sale with the participant.

Any MLS information, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of the participant and those licensees affiliated

with the participant who are authorized to have access to such information. Such information may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office, or firm.

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, comparables, or statistical information from utilizing such information to support an estimate of value on a particular property for a particular client. However, only such information that an association or association-owned multiple listing service has deemed to be non-confidential and necessary to support the estimate of value may be reproduced and attached to the report as supporting documentation. Any other use of such information is unauthorized and prohibited by these rules and regulations.

Sold/Comparable/Off-market Information

Section 1 Reporting Sales to the MLS

Sales of listed property, including sales prices, shall be reported promptly to the MLS by listing brokers. If negotiations were carried on directly between a cooperating participant and the seller, the cooperating broker shall report the accepted offer and price to the listing broker, and the listing broker shall report that information to the MLS. Listing agreements should also include provisions expressly granting the listing broker the right to authorize dissemination of sales price information by the MLS to its participants.

Note applicable in “disclosure” states: In disclosure states, if the sale price of a listed property is recorded, then reporting of the sale price may be required by the MLS.

Note applicable in “nondisclosure” states: In states where the actual sale prices of completed transactions are not publicly accessible, failure to report sale prices can result in disciplinary action only if the MLS:

1. categorizes sale price information as confidential and
2. limits use of sale price information to participants and subscribers in providing real estate services, including appraisals and other valuations, to customers and clients; and to governmental bodies and third-party entities only as provided below.

The MLS may provide sale price information to governmental bodies only to be used for statistical purposes (including use of aggregated data for purposes of valuing property) and to confirm the accuracy of information submitted by property owners or their representatives in connection with property valuation challenges; and to third-party entities only to be used for academic research, statistical analysis, or for providing services to participants and subscribers. In any instance where a governmental body or third-party entity makes sale price information provided by the MLS available other than as provided for in this provision, a listing participant may request the sale price information for a specific property be withheld from dissemination for these purposes with written authorization from the seller, and withholding of sale price information from those entities shall not be construed as a violation of the requirement to report sale prices.

Note regarding confidentiality: As established in the Virtual Office Website (“VOW”) policy, sale prices can only be categorized as confidential in states where the actual sale prices of completed transactions are not accessible from public records.

Section 2 Withdrawn Listings

Listings may be withdrawn from a multiple listing service by participants prior to the listing’s expiration date. As a matter of local discretion, MLSs may require that a copy of the agreement authorizing withdrawal be submitted.

Section 3 Inclusion of Withdrawn Listings in an Association's Comparable Report or Other Report of Statistical Information

Any information concerning expired or withdrawn listings included in an association's comparable report or other report of statistical information shall be clearly indicated as expired or withdrawn so that the users of such information will be aware of the actual status of such listings.

Statistical Reports

Section 1 Statistical Reports

MLSs may, as a matter of local determination, make statistical reports, sold information, and other informational reports derived from the MLS available to REALTORS® who do not participate in the MLS but who are engaged in real estate brokerage, management, appraising, land development, or building. Additional expenses incurred in providing such information to REALTORS® who do not participate in the MLS may be included in the price charged for such information. Any information provided may not be transmitted, retransmitted, or provided in any manner to any individual, office, or firm, except as otherwise authorized in the MLS rules and regulations.

MLSs may, as a matter of local determination, provide statistical reports, sold information, and other informational reports derived from the MLS to government agencies. MLSs may, as a matter of local discretion, require that such agencies (or representatives of such agencies) hold an appropriate form of membership in the MLS or in the association of REALTORS® as a condition of such access.

It is strongly recommended that any irrelevant information such as the names of current or former owners, or information concerning the sales commission or the compensation offered or paid to cooperating brokers be deleted.

Section 2 Statistical Reports Should be Kept

The information submitted on listing and sales contracts makes it possible for an association to compile valuable market data. Therefore, an association of REALTORS® should develop and preserve its multiple listing records for that purpose. The resulting information should be available to members and, under some conditions, to interested governmental agencies. The National Association's Department of Economics and Research can be helpful with advice and suggestions.

Advertising

Print and Electronic

Section 1. Internet Data Exchange (IDX) Policy. *We note that the Association inadvertently omitted mandatory language from this provision. Therefore, we respectfully request the Association amend this provision as provided below (underscoring indicates additions).*

The IDX policy gives MLS participants the ability to authorize limited electronic display of their listings by other participants. (Adopted 05/12)

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Associations of REALTORS® and their multiple listing services must enable MLS participants to display aggregated MLS listing information by specified electronic means in accordance with this policy. Electronic display subject to this policy means displays on participants' public websites and displays using applications for mobile devices that participants control. For purposes of this policy "control" means participants must have the ability to add, delete, modify and update information as required by this policy. All displays of IDX listings must also be under the actual and apparent control of the participant, and must be presented to the public as being the

participant's display. Actual control requires that the participant has developed the display, or caused the display to be developed for the participant pursuant to an agreement giving the participant authority to determine what listings will be displayed, and how those listings will be displayed. Apparent control requires that a reasonable consumer viewing the participant's display will understand the display is the participant's, and that the display is controlled by the participant. Factors evidencing control include, but are not limited to, clear identification of the name of the brokerage firm under which the participant operates in a readily visible color and typeface, except as otherwise provided for in this policy (e.g., displays of minimal information). All electronic display of IDX information conducted pursuant to this policy must comply with state law and regulations, and MLS rules. Any display of IDX information must be controlled by the participant, including the ability to comply with this policy and applicable MLS rules. (Amended 05/12)

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To comply with this requirement MLSs must, if requested by a participant, promptly provide basic downloading of all active listings and other listings authorized under applicable MLS rules and may not exclude any listings from the information which can be downloaded or displayed under IDX except those listings for which a participant has withheld consent, or listings for which the seller has prohibited Internet display. Associations and MLSs can also offer alternative display options including framing of board, MLS, or other publicly-accessible sites displaying participants' listings (with permission of the framed site). For purposes of this policy, "downloading" means electronic transmission of data from MLS servers to participants' servers on a persistent or transient basis, at the discretion of the MLS. Data transmitted must exclude the listing or property address, respectively, of any seller who affirmatively directs that the listing or the property address not appear on the Internet or other electronic forms of display or distribution. (Amended 05/12)

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MLSs that allow persistent downloading of the MLS database by participants for display or distribution on the Internet or by other electronic means may require that participants' websites (1) utilize appropriate security protection, such as firewalls, provided that any security obligations imposed on participants may not be greater than those employed concurrently by the MLS, and/ or (2) maintain an audit trail of consumer activity on participants' websites and make that information available to the MLS if the MLS has reason to believe that a participant's IDX website has caused or permitted a breach in the security of the data or a violation of MLS rules related to use by consumers. This policy does not require associations or MLSs to establish publicly accessible sites displaying participants' listings. (Amended 05/12)

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Unless state law requires prior written consent from listing brokers, listing brokers' consent for IDX display may be presumed unless a listing broker affirmatively notifies the MLS that the listing broker refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit IDX display of that participant's listings, then that participant may not display the aggregated MLS data of other participants on an IDX site.

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Alternatively, MLSs may require that participants' consent for IDX display of their listings by other participants be affirmatively established in writing. Even where participants have given blanket authority for other participants' IDX display of their listings, such consent may be withdrawn on a listing-by-listing basis as instructed by the seller. (Amended 05/12)

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Access to MLS databases, or any part of such databases, may not be provided to any person or entity not expressly authorized such access under the MLS rules. (Amended 11/09)

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Participants' Internet websites and other authorized display mechanisms may also provide other features, information, or services in addition to IDX information (including Virtual Office Website ["VOW"] functions) which are not subject to this policy. (Amended 05/12) (Amended 11/14)

Section 1 Internet Data Exchange (IDX) Policy

The IDX policy gives MLS participants the ability to authorize limited electronic display of their listings by other participants.

~~Associations of REALTORS® and their multiple listing services must enable MLS participants to display aggregated MLS listing information by specified electronic means in accordance with this policy. Electronic display subject to this policy means displays on participants' public websites and displays using applications for mobile devices that participants control. For purposes of this policy "control" means participants must have the ability to add, delete, modify and update information as required by this policy. All displays of IDX listings must also be under the actual and apparent control of the control requires that the participant has developed the display, or caused the display to be developed for the participant pursuant to an agreement giving the participant authority to determine what listings will be displayed, and how those listings will be displayed. Apparent control requires that a reasonable consumer viewing the participant's display will understand the display is the participant's, and that the display is controlled by the participant. Factors evidencing control include, but are not limited to, clear identification of the name of the brokerage firm under which the participant operates in a readily visible color and typeface, except as otherwise provided for in this policy (e.g., displays of minimal information). All electronic display of IDX information conducted pursuant to this policy must comply with state law and regulations, and MLS rules. Any display of IDX information must be controlled by the participant, including the ability to comply with this policy and applicable MLS rules.~~

~~To comply with this requirement MLSs must, if requested by a participant, promptly provide basic downloading of all active listings and other listings authorized under applicable MLS rules and may not exclude any listings from the information which can be downloaded or displayed under IDX except those listings for which a participant has withheld consent, or listings for which the seller has prohibited Internet display. Associations and MLSs can also offer alternative display options including framing of board, MLS, or other publicly accessible sites displaying participants' listings (with permission of the framed site). For purposes of this policy, "downloading" means electronic transmission of data from MLS servers to participants' servers on a persistent or transient basis, at the discretion of the MLS. Data transmitted must exclude the listing or property address, respectively, of any seller who affirmatively directs that the listing or the property address not appear on the Internet or other electronic forms of display or distribution.~~

~~MLSs that allow persistent downloading of the MLS database by participants for display or distribution on the Internet or by other electronic means may require that participants' websites (1) utilize appropriate security protection, such as firewalls, provided that any security obligations imposed on participants may not be greater than those employed concurrently by the MLS, and/or (2) maintain an audit trail of consumer activity on participants' websites and make that information available to the MLS if the MLS has reason to believe that a participant's IDX website has caused or permitted a breach in the security of the data or a violation of MLS rules related to use by consumers. This policy does not require associations or MLSs to establish publicly accessible sites displaying participants' listings.~~

~~Unless state law requires prior written consent from listing brokers, listing brokers' consent for IDX display may be presumed unless a listing broker affirmatively notifies the MLS that the listing broker refuses to permit display (either on a blanket or on a listing by listing basis). If a participant refuses on a blanket basis to permit IDX display of that participant's listings, then that participant may not display the aggregated MLS data of other participants on an IDX site.~~

~~Alternatively, MLSs may require that participants' consent for IDX display of their listings by other participants be affirmatively established in writing. Even where participants have given blanket authority for~~

~~other participants' IDX display of their listings, such consent may be withdrawn on a listing by listing basis as instructed by the seller.~~

~~Access to MLS databases, or any part of such databases, may not be provided to any person or entity not expressly authorized such access under the MLS rules.~~

~~Participants' Internet websites and other authorized display mechanisms may also provide other features, information, or services in addition to IDX information (including Virtual Office Website ["VOW"] functions) which are not subject to this policy.~~

Policies Applicable to Participants' IDX Websites and Displays

1. Participants must notify the MLS of their intention to display IDX information and give the MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies.
2. MLS participants may not use IDX-provided listings for any purpose other than IDX display. This does not require participants to prevent indexing of IDX listings by recognized search engines.
3. Listings or property addresses of sellers who have directed their listing brokers to withhold their listing or property address from display on the Internet (including, but not limited to, publicly accessible websites or VOWs) shall not be accessible via IDX display.
4. Participants may select the IDX listings they choose to display based only on objective criteria including, but not limited to, factors such as geography or location ("uptown", "downtown", etc.), list price, type of property (e.g., condominiums, cooperatives, single family detached, multi-family), cooperative compensation offered by listing brokers, type of listing (e.g., exclusive right-to-sell or exclusive agency), or the level of service provided by the listing firm. Selection of IDX listings to be displayed must be independently made by each participant.
5. Participants must refresh all MLS downloads and displays automatically fed by those downloads not less frequently than every three (3) days.
6. Except as provided elsewhere in this policy or elsewhere in an MLS's rules and regulations, an IDX display or participant engaging in IDX display may not distribute, provide, or make any portion of the MLS database available to any person or entity.
7. When displaying listing content, a participant's or user's IDX display must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. This policy acknowledges that certain required disclosures may not be possible in displays of minimal information (e.g., "thumbnails", text messages, "tweets", etc., of 200 characters or less). Such displays are exempt from the disclosure requirements established in this policy but only when linked directly to a display that includes all required disclosures.
8. With respect to any participant's IDX display that
 - a. allows third-parties to write comments or reviews about particular listings or displays a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
 - b. displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing, either or both of those features shall be disabled or discontinued with respect to the seller's listing at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued by all participants. Except for the foregoing and subject to paragraph 9, a participant's IDX display may communicate the participant's professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying customers that a particular feature has been disabled at the request of the seller.
9. Participants shall maintain a means (e.g., e-mail address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of the participant beyond that supplied by the MLS and that relates to a specific property. The participant shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing broker or listing agent for that property explaining why the data or information is

false. However, the participant shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment.

Policies Applicable to Multiple Listing Services

The following guidelines are recommended but not required to conform to National Association policy. MLSs may:

1. prohibit display of expired, withdrawn, pending, or sold listings
2. prohibit display of confidential information fields intended for cooperating brokers rather than consumers including compensation offered to other MLS participants, showing instructions, property security information, etc.
3. prohibit display of the type of listing agreement, e.g., exclusive right to sell, exclusive agency, etc.
4. prohibit display of seller's(s') and occupant's(s') name(s), phone number(s), and e-mail address(es)
5. require that any listing displayed identify the listing firm in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data
6. require that the identity of listing agents be displayed
7. require that information displayed not be modified. MLS data may be augmented with additional data not otherwise prohibited from display so long as the source of the other data is clearly identified. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized data fields.
8. require that any display of other participants' listings indicate the source of the information being displayed
9. require that other brokers' listings obtained from other sources, e.g., from other MLSs, from non-participating brokers, etc., display the source from which each such listing was obtained
10. require participants to indicate on their websites and in any other IDX display that the information being provided is for consumers' personal, non-commercial use and may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing.
11. establish reasonable limits on the amount of data/number of listings that consumers may retrieve or download in response to an inquiry. Such number shall be determined by the MLS, but in no instance may the limit be fewer than one hundred (100) listings or five percent (5%) of the listings available for IDX display, whichever is less. (*Amended 11/09*)
12. limit the right to display other participants' listings to a participant's office(s) holding participatory rights in the same MLS.
13. require a notice on all MLS data displayed indicating that the data is deemed reliable but is not guaranteed accurate by the MLS. Participants' IDX sites and displays may also include other disclaimers necessary to protect the participant and/or the MLS from liability.

This policy acknowledges that the disclosures required under Subsections 5, 6, 8, 9, 10 and 13 (above) may not be possible in displays of minimal information (e.g., "thumbnails", text messages, "tweets", etc., of 200 characters or less). Such displays are exempt from the disclosure requirements established in this policy but only when linked directly to a display that includes all required disclosures.

Additional Local Issues/Options

1. Where MLS participatory rights are available to non-member brokers or firms as a matter of law or local determination, the right to IDX display of listing information may be limited, as a matter of local option, to participants who are REALTORS®.
2. MLSs may, but are not required to, limit the right to display listing information available pursuant to IDX to MLS participants licensed as real estate brokers.
3. MLSs may, but are not required to, limit the right to display listing information pursuant to IDX to MLS participants engaged in real estate brokerage.
4. MLSs may, but are not required to, allow non-principal brokers and sales licensees affiliated with MLS participants to use information available through IDX to populate their own websites or to use in other IDX displays.

4.

Even if use of information through IDX is provided to non-principal brokers and sales licensees affiliated with MLS participants, such use is subject to the affiliated participants' consent and control and the requirements of state law and/or regulation, and MLS rules.

5. MLSs cannot prohibit participants from downloading and displaying or framing other brokers' listings obtained from other sources, e.g., other MLSs, non-participating brokers, etc., but can, as a matter of local option, require that listings obtained through IDX be searched separately from listings obtained from other sources, including other MLSs.
6. MLSs may, as a matter of local option, charge the costs of adding or enhancing their downloading capacity to participants who will download listing information. Assessment of such costs should reasonably relate to the actual costs incurred by the MLS.
7. MLSs may prohibit advertising controlled by participants (including co-branding) on any pages displaying IDX-provided listings. (*Amended 05/12*)

MLSs permitting advertising (including co-branding) on pages displaying IDX provided listings may prohibit deceptive or misleading advertising (including co-branding).

For purposes of this provision, co-branding will be presumed not to be deceptive or misleading if the participant's logo and contact information is larger than that of any third party.

Section 2 MLS Information in Advertising and Other Public Representations

Information from MLS compilations of current listing information, from statistical reports, and from any sold or comparable reports may be used by MLS participants as the basis for aggregated demonstrations of market share or for comparisons of firms in public mass-media advertising and other public representations. MLSs may, as a matter of local determination, prohibit advertising or representations about specific properties which are listed with other participants or which were sold by other participants (as either listing or cooperating broker).

Any print or non-print form of advertising or other public representation based in whole or in part on information supplied by the MLS must clearly disclose the source of the information and the period of time over which such claims are based.

Section 3 Transmittal of Participant's Listings to Aggregators

MLSs are not required to transmit participants' listings to third-party aggregators or to operate a public website displaying listing information. If an MLS transmits participants' listings to third-party aggregators and/or operates a public website displaying listing information, all exclusive listings, regardless of type, will be included in the data feed (unless a participant withholds consent for such transmission), except that MLSs may exclude from such data feed any listing where both of the following conditions are present:

- a. the listed property's street address or a graphic display of the property's specific location will be displayed to the public; and
- b. the seller displays on the property a "for sale by owner" sign or other sign or notice indicating that the seller is soliciting direct contact from buyers.

Section 4 Electronic Display of Other Participant's Listings

MLSs may, but are not required to, give participants the ability to authorize electronic display of their listings by other participants outside the context of the Internet Data Exchange ("IDX") policy and rules and the Virtual Office Website ("VOW") policy and rules.

Participants may not be required to consent to display or distribution of their listings through non-IDX and non-VOW channels as a condition of participation in MLS or as a condition of participation in IDX. Electronic

display and distribution pursuant to this policy contemplates, but is not limited to, Short Message Services (“SMS”)/texting technologies, and interactive “social media.” All electronic displays and/or distribution of other participants’ listings conducted pursuant to this policy must comply with state law and regulations and applicable rules.

Displays addressed by this policy may be subject to technological limitations on disabling/discontinuing third-party comments/reviews, disabling/discontinuing automated displays of market value, “refreshing” displays on a periodic basis, and possibly other issues which should be taken into consideration when developing rules and policies governing such displays.

Homes Magazines

Section 5 Regulation of Advertising in Association or Commercial Publications

It is recommended that associations of REALTORS® discontinue and avoid any association or MLS regulation of advertising placed in a commercial advertising publication published by a commercial publisher and sponsored or endorsed by the association and that further, the association document in writing that it is not responsible for any regulation or regulations of advertising by the commercial publishers.

Further, if an association or its multiple listing service publishes a commercial advertising publication other than the regular MLS books/cards/sheets, it shall not seek to regulate the content of such advertising beyond reserving, with the advice of association legal counsel, the right to reject scurrilous advertising that might create liability to the association.

E. Participant’s Rights

Section 1 Participation Should be Optional

No REALTORS® shall be required to participate. A requirement to participate in a multiple listing service in order to gain and maintain REALTOR® membership is an inequitable limitation on its membership (from Official Interpretation No. 1 of Bylaws, Article I, Section 2, adopted by the Board of Directors of the National Association, November 15, 1960). However, if a REALTOR® chooses to participate in the activity, the REALTOR® should be required to exchange information on the same basis, according to the same rules and costs imposed on all who participate.

Section 2 Association Membership as Prerequisite to MLS Participation

To the extent permitted by law, the National Association remains firmly and unequivocally committed to the principle that association membership is a reasonable condition of participation in the association’s multiple listing service providing membership in the association is readily available to all eligible and qualified individuals on reasonable and nondiscriminatory terms and conditions.

Section 3 Participation in an Association MLS of a Branch Office Manager Who is Not a Principal of the Real Estate Firm

In the event a REALTOR® has a principal office in one and only a branch office in another association, and the branch office manager is a REALTOR® member of the second association but is not a principal of the real estate firm with which he is affiliated, the branch manager shall be considered as standing in the shoes of the principal, and shall be eligible for participation in the multiple listing service of any association’s MLS where he qualifies as a participant.

Section 4 MLS Participation by Brokers Acting as Agents of Potential Purchasers

Since the MLS is an association service by which the participants make a blanket unilateral offer of compensation to the other participants with respect to listings for which they are an agent, no association or association MLS may make or maintain a rule which would preclude an individual or firm, otherwise qualified, from participating in an association MLS solely on the basis that the individual or firm functions, to any degree, as the agent of potential purchasers under a contract between the individual (or firm) and the prospective purchaser (client). However, in instances where the participant is representing the potential purchaser as an agent, the participant cannot function simultaneously as the subagent of the listing broker without buyer and seller consent or as provided by state law; cannot accept compensation from the listing broker without the express consent of all parties to the transaction; and must make his true position clearly known to all interested parties at first contact.

Section 6 Immediate Access to MLS by Association Members if Provided to Nonmember

Where the multiple listing service of an association of REALTORS® is required by law to provide access to nonmembers and immediate access is provided to such nonmembers, similar immediate access shall be provided to applicants for membership in the association of REALTORS® subject to any required orientation in multiple listing policies and procedures. Otherwise, the application for association membership shall be processed in the normal manner.

Such access to MLS shall be provided to applicants for association membership as described, waiving the provisions of Interpretations No. 9 and No. 18, Official Interpretations of Article I, Section 2, Bylaws of the National Association, and of Point 5 of the Membership Qualification Criteria of the National Association for Applicants for REALTOR® Members Who Are Sole Proprietors, Partners, Corporate Officers, or Branch Office Managers in a Real Estate Firm.

After providing such access to MLS, the applications of such applicants for association membership should proceed on a normal basis and all association membership qualifications and all Official Interpretations of Article I, Section 2, Bylaws of the National Association have full force and effect.

Section 7 Presentation of Offers

Consistent with Standard of Practice 1-6, MLSs may require that listing brokers make arrangements for prompt presentation of offers and, where offers cannot be presented promptly, that listing brokers explain to cooperating brokers why offers they procured could not be presented.

Section 8 Showings and Negotiations

As established in Official Interpretation No. 10 of the National Association's Bylaws, rules giving cooperating brokers the right to negotiate directly with an exclusively-represented seller are an inequitable limitation on REALTORS®. Appointments for showings and negotiations with sellers for the purchase of listed property published in MLS compilations shall be conducted through the listing broker, except:

1. where the listing broker gives the cooperating broker specific authority to show and/or negotiate directly, or
2. after reasonable efforts a cooperating broker cannot contact the listing broker or the listing broker's representative. However, listing brokers, at their discretion, may preclude any direct contact or negotiations by cooperating brokers.

Section 9 Rights of Cooperating Brokers in Presentation of Offers

Cooperating participants or their representatives have the right to participate in the presentation of any offer they secure to purchase or lease to the seller or lessor. They do not have the right to be present at any

discussion or evaluation of the offer by the seller or lessor and the listing broker. However, if a seller or lessor gives written instructions to a listing broker that cooperating brokers may not be present when offers they procure are presented, cooperating brokers have the right to a copy of those instructions. This policy is not intended to affect listing brokers' right to control the establishment of appointments for presentation of offers.

Section 10 Rights of Listing Brokers in Presentation of Counter-offers

Listing participants or their representatives have the right to participate in the presentation of any counter-offer made by a seller or a lessor. They do not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except where the cooperating broker is a sub-agent). However, if a purchaser or lessee gives written instructions to the cooperating broker that the listing broker may not be present when a counter-offer is presented; the listing broker has a right to a copy of those instructions.

Section 11 Code of Ethics

Adherence to the Code of Ethics of the NATIONAL ASSOCIATION OF REALTORS® shall be a privilege and obligation of REALTORS® and REALTOR-ASSOCIATE@s.

Section 12 Arbitration

Arbitration facilities of an association of REALTORS® may be invoked by a nonmember participant in the multiple listing service, who can also be compelled to arbitrate using the association's facilities.

Section 13 Lease of MLS Compilations

MLS participants are entitled to lease print or electronic copies of MLS compilations in sufficient number to provide the participant and each authorized individual affiliated with the participant with one copy of such compilation subject to payment of applicable fees and charges.

Section 14 Caravans

Any facility offered by the multiple listing service for the physical viewing of properties listed and filed with the multiple listing service, including MLS caravans and MLS open houses, must be made available to all participants in the multiple listing service. Nothing herein shall require an owner to use any particular facility for the viewing of his property, including but not limited to caravans and open houses.

"No Show's" on a Lower Keys caravan may be subjected to a \$25.00 fine. A "No show" is defined as an agent that that places a property on the caravan and then does not show up to open the house for the caravan (5/14)

Section 15 Ownership of Listing and Listing Content

The listing broker owns the listing agreement. Prior to submitting a listing to the MLS, the listing broker should own, or have the authority to cause all listing content (e.g., photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property) to be published in the MLS compilation of listing information.

Use of listings and listing information by MLSs for purposes other than the defined purposes of MLS requires participants' consent. Such consent cannot be required as a condition of obtaining or maintaining MLS participatory rights. MLSs may presume such consent provided that listing brokers are given adequate prior notice of any intended use unrelated to the defined purpose of MLS, and given the opportunity to affirmatively withhold consent for that use.

Participants cannot be required to transfer any rights (including intellectual property rights) in their listings or listing content to MLS to obtain or maintain participatory rights except that MLSs may require participants to consent to storage, reproduction, compiling, and distribution of listings and listing information to the extent necessary to fulfill the defined purposes of MLS. MLSs may also require participants to warrant that they have the rights in submitted information necessary to grant these rights to MLS

F. Enforcement of Rules

Section 1 Appropriate Procedures for Rules Enforcement

In any instance where a participant in an association multiple listing service is charged with violation of the MLS bylaws or rules and regulations of the service, and such charge does not include alleged violations of the Code of Ethics or the Standards of Conduct for MLS participants, or a request for arbitration, it may be administratively considered and determined by the MLS governing committee or MLS board of directors. If a violation is determined, the committee or MLS board of directors may direct the imposition of sanction, provided that the recipient of such sanction may request a hearing before the professional standards committee of the association. If the participant refuses to accept any sanction or discipline proposed, the circumstances and the discipline proposed shall be appealed to the board of directors of the association of REALTORS® which shall, if it deems the finding of violation proper and the sanction appropriate to the offense, delay the effective date of sanction until final entry by a court of competent jurisdiction in a suit filed by the association for declaratory relief, except in those states where declaratory relief is not available, declaring that the disciplinary action and proposed sanction violates no rights of the multiple listing service participant. If the MLS committee has a procedure established to conduct hearings, the decision of the MLS committee may be appealed to the board of directors of the association of REALTORS®. If a separately incorporated MLS has an established procedure for the conduct of hearings, the decisions of the hearing tribunal shall be appealable to the board of directors of the MLS. Alleged violations of the Code of Ethics or the Standards of Conduct for MLS participants shall be referred to the association's grievance committee for processing in accordance with the professional standards procedures of the association. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the board of directors of the association of REALTORS®.

Section 2 Rules and Regulations

The rules and regulations should be designed to guide participants but must avoid arbitrary restrictions on business practices. They should be based on experience and not be restrictive upon the personal rights of participating individuals. (Rules and regulations are provided elsewhere in this *Handbook* for association of REALTORS®' review and adoption.)

Section 3 The Use of Fines as Part of Rules Enforcement

Generally, warning, censure, and the imposition of a moderate fine is sufficient to constitute a deterrent to violation of the rules and regulations of the multiple listing service. Suspension or termination is an extreme sanction to be used in cases of extreme or repeated violation of the rules and regulations of the service.

[Members with outstanding fines for MLS rule and/or policy violations will result in an automatic suspension of MLS privileges on the sixty-first \(61\) day, and will remain suspended until payment in full is received or a payment schedule is worked out with the approval of the MLS committee.](#)

Section 4 Financial Penalty Not to Exceed \$15,000

Notwithstanding the limitations established in the NATIONAL ASSOCIATION OF REALTORS® *Code of Ethics and Arbitration Manual* or in other National Association policy, multiple listing services operated as committees of associations of REALTORS® or as separate, wholly-owned subsidiaries of one or more associations of REALTORS® are authorized to impose financial penalties on participants or subscribers as

discipline for violations of MLS rules or other MLS governance provisions not greater than fifteen thousand (\$15,000) dollars.

Section 5 MLS Disciplinary Guidelines

Associations of REALTORS® and their multiple listing services have the responsibility of fostering awareness, understanding, and appreciation for the duties and responsibilities of MLS participants and subscribers, and of receiving and resolving complaints alleging violations of the rules and regulations. The REALTOR® organization is firmly committed to vigorous, fair, and uniform enforcement. Enforcement achieves a number of goals. Where participants or subscribers are wrongly or mistakenly charged with violations, the hearing process provides personal and professional vindication. Where violations are determined, enforcement process educates participants and subscribers about their duties and obligations, and serves as a meaningful deterrent of future violations. Allegations of conduct inconsistent with the rules are often viewed by respondents as threats to their professional and personal reputations. This can result not only in their mounting vigorous defenses but also, at times, to threats of legal challenge should a violation be determined and discipline imposed. Given that MLS participation can have significant economic value, associations and their MLSs need to strictly adhere to their established procedures when considering potential violations. This caution ensures that the rights of the parties will be observed, and legal exposure of associations and their MLSs will be minimized. At the same time, well-founded caution should not be confused with reservation, reluctance, or hesitancy. Rules become aspirations at best, and potentially meaningless, if not enforced with vigor and determination. Fundamental to fair and consistent enforcement is reasonable and judicious use of discipline, as both an educational device and as punishment. Associations and their MLSs have a wide variety of sanctions available to them that may be imposed for violations. These range from simple letters of warning to termination of MLS rights and privileges. Between these extremes are mandatory attendance at remedial education sessions, financial penalties, probation, and suspension. The National Association does not recommend specific penalties for certain offenses or for violations of particular rules. This is in deference to the wisdom and autonomy of the hearing panel privy to the details of complaints coming before them; in recognition of the fact that no two complaints are identical; and in view of the facts that the details of each hearing, including the experience of respondents, their history of prior violations, and mitigating or extenuating circumstances, may all come into play in determining an appropriate penalty. At the same time, there are key points to be considered with respect to imposition of discipline.

- Discipline that can be imposed is strictly limited to those forms authorized in the NATIONALASSOCIATION OF REALTORS® *Code of Ethics and Arbitration Manual* and to any additional form authorized by the National Association's board of directors.
- Discipline should be commensurate with the offense. Unintentional or inadvertent violations should result in penalties designed to educate respondents about the conduct expected of them. Only authorized forms of discipline may be utilized.
- Discipline should be progressive. The disciplinary emphasis on violations by new members or by long-standing members with no history of prior violations should be primarily educational. Repeated or subsequent violations should be addressed with more serious forms of discipline, including substantial fines, suspension, and termination of MLS rights and privileges.
- A gray area can exist with respect to "first time violations" that are clearly not the result of ignorance or mistake but rather demonstrate flagrant disregard for the rules. While the educational aspect of enforcement cannot be disregarded, the fact that the rules exist to protect clients and customers, the public, and to ensure effective, efficient functioning of the MLS, must also be considered in determining commensurate discipline.
- Mitigating or extenuating circumstances should be considered in determining appropriate discipline. The fact that a respondent recognizes or acknowledges inappropriate conduct or took steps to remediate or minimize harm or injury, should be considered in determining appropriate discipline.
- Respondent's records of earlier violations or, conversely, the fact that they have not violated the rules in the past, can be considered in determining appropriate discipline. Hearing panels cannot consider past violations in deciding whether the conduct currently complained of violates the rules.

Crafting appropriate, meaningful discipline can challenge panels that have concluded the rules have been violated. This discussion is offered as guidance, rather than as a hard and fast template, to assist panels in meeting their responsibility in ensuring the rules' viability and vitality through vigorous and evenhanded enforcement.

Progressive Discipline

Discipline imposed for violation of the rules should be progressive. The severity of discipline should increase incrementally for subsequent violations. The disciplinary emphasis where first time violations occur should be primarily educational. Repeated or subsequent violations should result in more serious forms of discipline being utilized, including substantial fines, suspension, and termination of MLS rights and privileges. At the same time, a gray area can exist where a first-time violation is not attributable to ignorance or oversight, but rather to blatant disregard for the rules. While the educational emphasis of enforcement cannot be disregarded, the fact the rules exist to protect clients and customers, the public, and to ensure the effective, efficient functioning of the MLS must be carefully considered in determining appropriate discipline. Factors hearing panels should consider in determining appropriate discipline include, but are not necessarily limited to:

- The nature of the violation
- Harm caused by the violation. Was the violation a minor mistake causing little or no harm or, alternatively, was a client, customer, member of the public, or another participant harmed?
- Was the violation inadvertent or unintentional or, conversely, was it the result of knowing disregard for the obligations of MLS participants and subscribers?
- How much real estate experience did the violator have? Did he, or should he, have known better?
- Has the violator been found in violation of the rules previously? How often? How recently? Is the current violation related or similar to earlier violations?
- Are there mitigating or extenuating circumstances that should be considered in determining appropriate discipline?
- Did the violator acknowledge the violation? Did the violator express remorse or contrition?
- Are there other factors that ought to be considered?

G. Commission/Cooperative Compensation Offers

Section 1 Information Specifying the Compensation on Each Listing Filed With a MLS of an Association of REALTORS®

In filing property with the multiple listing service, participants make blanket unilateral offers of compensation to the other MLS participants and shall therefore specify on each listing filed with the service the compensation being offered by the listing broker to the other MLS participants. This is necessary because cooperating participants have the right to know what their compensation will be prior to commencing their efforts to sell.¹

The listing broker retains the right to determine the amount of compensation offered to subagents, buyer agents, or to brokers acting in other agency or non-agency capacities, which may be the same or different.

This shall not preclude the listing broker from offering any MLS participant compensation other than the compensation indicated on his listings as published by the MLS, provided the listing broker informs the other broker in writing in advance of their submitting an offer to purchase and provided that the modification in the specified compensation is not the result of any agreement among all or any other participants in the service. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount.

¹ Relates to Point No. 2 of the MLS antitrust compliance policy.

While offers of compensation made by listing brokers to cooperating brokers through MLS are unconditional (except where MLS rules create specific exceptions as specified elsewhere in this policy statement), a listing broker's obligation to compensate a cooperating broker who was the procuring cause of sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid.

The multiple listing service shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his listing contract, and the multiple listing service shall not publish the total negotiated commission on a listing which has been submitted to the MLS by a participant. The multiple listing service shall not disclose in any way the total commission negotiated between the seller and the listing broker.

Note 1: The compensation specified on listings filed with the multiple listing service by the participants of the service shall be expressed as a percentage of the gross sales price or as a definite dollar amount. Multiple listing services may, as a matter of local discretion, allow participants to offer cooperative compensation as a percentage of the net sales price, with net sales price defined as the gross sales price minus buyer upgrades (new construction) and seller concessions (as defined by the MLS unless otherwise defined by state law or regulation). The essential and appropriate requirement by a multiple listing service is that the information to be published shall clearly inform the participants as to the compensation they will receive in cooperative transactions unless advised otherwise by the listing broker in writing in advance of their submitting an offer to purchase.

Multiple listing services shall not publish listings that do not include an offer of compensation expressed as a percentage of the gross selling price or as a definite dollar amount, nor shall they include general invitations by listing brokers to other participants to discuss terms and conditions of possible cooperative relationships.

Note 2: Multiple listing services, at their discretion, may adopt rules and procedures enabling listing brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval, and that compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court. In such instances, the fact that the gross commission is subject to court approval and either the potential reduction in compensation payable to cooperating brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers prior to the time they submit an offer that ultimately results in a successful transaction.

Note 3: Multiple listing services must give participants the ability to disclose to other participants any potential for a short sale. As used in MLS rules, short sales are defined as a transaction where title transfers, where the sales price is insufficient to pay the total of all liens and costs of sale, and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies. Multiple listing services may, as a matter of local discretion, require participants to disclose short sales when participants know a transaction is a potential short sale. In any instance where a participant discloses a potential short sale, they may, as a matter of local discretion, be permitted to communicate to other participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between the listing and cooperating participants. Where participants are permitted to communicate to other participants how any reduction in the gross commission established in the listing contract

required by the lender as a condition of approving the sale will be apportioned between the listing and cooperating participants, multiple listing services may, as a matter of local discretion, require listing participants to disclose to cooperating participants in writing the total reduction in the gross commission and the amount by which the compensation payable to the cooperating broker will be reduced within ~~_____~~ 48 hours of receipt of notification from the lender. All confidential disclosures and confidential information related to short sales, if allowed by local rules, must be communicated through dedicated fields or confidential “remarks” available only to participants and subscribers.

Section 2 Agency

In the multiple listing service of an association of REALTORS®, the cooperating broker in a cooperative real estate transaction is the subagent of the listing broker, the agent of the buyer, or is acting in another recognized agency or non-agency capacity. Such relationships must be fully disclosed to all parties to the contract and to all brokers involved.

H. Lockboxes - n/a

I. Virtual Office Websites: Policy Governing Use of MLS Data in Connection with Internet Brokerage Services Offered by MLS Participants

I. Definitions and Scope of Policy

1. For purposes of this policy, the term “Virtual Office Website” (VOW) refers to a participant’s Internet website, or a feature of a participant’s Internet website, through which the participant is capable of providing real estate brokerage services to consumers with whom the participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS data, subject to the participant’s oversight, supervision, and accountability.
 - a. A participant may designate an “Affiliated VOW Partner” (AVP) to operate a VOW on behalf of the participant, subject to the participant’s supervision and accountability and the terms of this policy.
 - b. A non-principal broker or sales licensee affiliated with a participant may, with the participant’s consent, operate a VOW or have a VOW operated on its behalf by an AVP. Such a VOW is subject to the participant’s supervision and accountability and the terms of this policy.
 - c. Each use of the term “participant” in this policy shall also include a participant’s non-principal brokers and sales licensees (with the exception of references in this section to the “participant’s consent” and the “participant’s supervision and accountability,” and in Section III.10.a., below, to the “participant acknowledges”). Each reference to VOW or VOWs herein refers to all VOWs, whether operated by a participant, by a non-principal broker or sales licensee, or by an AVP.
2. The right to display listings in response to consumer searches is limited to display of MLS data supplied by the MLS(s) in which the participant has participatory rights. This does not preclude a firm with offices participating in different MLSs from operating a master website with links to such offices’ VOWs.
3. Participants’ Internet websites, including those operated for participants by AVPs, may also provide other features, information, or services, in addition to VOWs (including the “Internet Data Exchange” [IDX] function).
4. The display of listing information on a VOW does not require separate permission from the participant whose listings will be available on the VOW.
5. Except as permitted in Sections III. and IV., MLSs may not adopt rules or regulations that conflict with this policy or that otherwise restrict the operation of VOWs by participants.

II. Policies Applicable to Participants' VOWs

1. A participant may provide brokerage services via a VOW that include making MLS active listing data available, but only to consumers with whom the participant has first established a lawful consumer-broker relationship, including completion of all actions required by state law in connection with providing real estate brokerage services to clients and customers (hereinafter "Registrants"). Such actions shall include, but are not limited to, satisfying all applicable agency, non-agency, and other disclosure obligations, and execution of any required agreement(s).
2. A participant's VOW must obtain the identity of each Registrant and obtain each Registrant's agreement to terms of use of the VOW, as follows.
 - a. A Registrant must provide his or her name and a valid e-mail address. The participant must send an e-mail to the address provided by the Registrant confirming that the Registrant has agreed to the terms of use (described in Subsection c., below). The Registrant may be permitted to access the VOW only after the participant has verified that the e-mail address provided is valid and that Registrant received the terms of use confirmation.
 - b. The Registrant must supply a user name and a password, the combination of which must be different from those of all other Registrants on the VOW, before being permitted to search and retrieve information from the MLS database via the VOW. The user name and password may be established by the Registrant or may be supplied by the participant, at the option of the participant. An e-mail address may be associated with only one user name and password. The Registrant's password and access must expire on a date certain, but may be renewed. The participant must, at all times, maintain a record of the name and e-mail address supplied by the Registrant, and the user name and current password of each Registrant. Such records must be kept for not less than one hundred eighty (180) days after the expiration of the validity of the Registrant's password. If the MLS has reason to believe that a participant's VOW has caused or permitted a breach in the security of the data or a violation of MLS rules related to use by one or more Registrants, the participant shall, upon request, provide to the MLS a copy of the record of the name, e-mail address, user name, current password, and audit trail, if required, of any Registrant identified by the MLS to be suspected of involvement in the violation.
 - c. The Registrant must be required affirmatively to express agreement to a "terms of use" provision that requires the Registrant to open and review an agreement that provides at least the following:
 - i. that the Registrant acknowledges entering into a lawful consumer-broker relationship with the participant
 - ii. that all data obtained from the VOW is intended only for the Registrant's personal, non-commercial use
 - iii. that the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW
 - iv. that the Registrant will not copy, redistribute, or retransmit any of the data or information provided, except in connection with the Registrant's consideration of the purchase or sale of an individual property
 - v. that the Registrant acknowledges the MLS' ownership of and the validity of the MLS' copyright in the MLS database

After the Registrant has opened for viewing the terms of use agreement, a mouse click is sufficient to acknowledge agreement to those terms. The terms of use agreement may not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the participant.

The terms of use agreement shall also expressly authorize the MLS and other MLS participants or their duly authorized representatives to access the VOW for the

purposes of verifying compliance with MLS rules and monitoring display of participants' listings by the VOW.

- d. An agreement entered into at any time between the participant and Registrant imposing a financial obligation on the Registrant or creating representation of the Registrant by the participant must be established separately from the terms of use, must be prominently labeled as such, and may not be accepted solely by mouse click.
3. A participant's VOW must prominently display an e-mail address, telephone number, or specific identification of another mode of communication (e.g., live chat) by which a consumer can contact the participant to ask questions or get more information about properties displayed on the VOW. The participant or a non-principal broker or sales licensee licensed with the participant must be willing and able to respond knowledgeably to inquiries from Registrants about properties within the market area served by that participant and displayed on the VOW.
4. A participant's VOW must protect the MLS data from misappropriation by employing reasonable efforts to monitor for and prevent scraping or other unauthorized accessing, reproduction, or use of the MLS database.
5. A participant's VOW must comply with the following additional requirements.
 - a. No VOW shall display the listing or property address of any seller who has affirmatively directed its listing broker to withhold its listing or property address from display on the Internet. The listing broker or agent shall communicate to the MLS that a seller has elected not to permit display of the listing or property address on the Internet. Notwithstanding the foregoing, a participant who operates a VOW may provide to consumers via other delivery mechanisms, such as e-mail, fax, or otherwise, the listing or property address of a seller who has determined not to have the listing or address for its property displayed on the Internet.
 - b. A participant who lists a property for a seller who has elected not to have the property listing or the property address displayed on the Internet shall cause the seller to execute a document that conforms to the form attached to this policy as Appendix A. The participant shall retain such forms for at least one (1) year from the date they are signed.
 - c. With respect to any VOW that:
 - i. allows third parties to write comments or reviews about particular listings or displays a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
 - ii. displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing,

the VOW shall disable or discontinue either or both of those features as to the seller's listing at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all participants' websites. Except for the foregoing and subject to Subsection d., below, a participant's VOW may communicate the participant's professional judgment concerning any listing. Nothing shall prevent a VOW from notifying its customers that a particular feature has been disabled at the request of the seller.

- d. A VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of the VOW operator beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The VOW operator shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing broker or listing agent for that property explaining why the data or information is false. However, the VOW operator shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice, or professional judgment.
- e. Each VOW shall refresh MLS data available on the VOW not less frequently than every three (3) days.
- f. Except as provided elsewhere in this policy or in MLS rules and regulations, no portion of the MLS database may be distributed, provided, or made accessible to any person or entity.

- g. Every VOW must display a privacy policy that informs Registrants of the ways in which information obtained from them will be used.
 - h. A VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, type of property, cooperative compensation offered by listing broker, or whether the listing broker is a REALTOR®.
6. A participant who intends to operate a VOW must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS participants for purposes of verifying compliance with this policy and any other applicable MLS rules or policies.
 7. A participant may operate more than one VOW itself or through an AVP. A participant who operates a VOW itself shall not be precluded from also operating VOWs in conjunction with AVPs.

III. Policies Applicable to Multiple Listing Services

1. A multiple listing service shall permit MLS participants to operate VOWs or to have VOWs operated for them by AVPs, subject to the requirements of state law and this policy.
2. An MLS shall, if requested by a participant, provide basic downloading of all MLS non-confidential listing data, including, without limitation, address fields, listing types, photographs, and links to virtual tours. Confidential data includes only that which participants are prohibited from providing to customers orally and by all other delivery mechanisms. They include fields containing the information described in Section IV.1. of this policy, provided that sold data (i.e., listing information relating to properties that have sold) shall be deemed confidential and withheld from a download only if the actual sales prices of completed transactions are not accessible from public records. For purposes of this policy, downloading means electronic transmission of data from MLS servers to a participant's or AVP's server on a persistent basis. An MLS may also offer a transient download. In such case, it shall also, if requested, provide a persistent download, provided that it may impose on users of such download the approximate additional costs incurred by it to do so.
3. This policy does not require an MLS to establish publicly accessible sites displaying participants' listings.
4. If an MLS provides a VOW-specific feed, that feed must include all of the nonconfidential data included in the feed described in Subsection 2, above, except for listings or property addresses of sellers who have elected not to have their listings or addresses displayed on the Internet.
5. An MLS may pass on to those participants who will download listing information the reasonably estimated costs incurred by the MLS in adding or enhancing its downloading capacity to enable such participants to operate VOWs.
6. An MLS may require that participants:
 - a. utilize appropriate security protection, such as firewalls, as long as such requirement does not impose security obligations greater than those employed concurrently by the MLS, and/or
 - b. maintain an audit trail of Registrants' activity on the VOW and make that information available to the MLS if the MLS has reason to believe that any VOW has caused or permitted a breach in the security of the data or a violation of applicable MLS rules.
7. An MLS may not prohibit or regulate display of advertising or the identification of entities on VOWs (branding or co-branding), except to prohibit deceptive or misleading advertising or co-branding. For purposes of this provision, co-branding will be presumed not to be deceptive or misleading if the participant's logo and contact information (or that of at least one participant, in the case of a VOW established and operated by or for more than one participant) is displayed in immediate conjunction with that of every other party, and the logo and contact information of all participants displayed on the VOW is as large as the logo of the AVP and larger than that of any third party.
8. Except as provided in this policy, an MLS may not prohibit participants from enhancing their VOWs by providing information obtained from sources other than the MLS, additional technological services (such as mapping functionality), or information derived from non-confidential MLS data (such as an estimated monthly payment derived from the listed price), or regulate the use or display of such information or technological services on any VOW.

9. Except as provided in generally applicable rules or policies (such as the REALTOR® Code of Ethics), an MLS may not restrict the format of data display on a VOW or regulate the appearance of VOWs.
 10. Subject to the provisions below, an MLS shall make MLS listing data available to an AVP for the exclusive purpose of operating a VOW on behalf of a participant. An MLS shall make MLS listing data available to an AVP under the same terms and conditions as those applicable to participants. No AVP has independent participation rights in the MLS by virtue of its right to receive data on behalf of a participant or the right to use MLS data, except in connection with operation of a VOW for a participant. AVP access to MLS data is derivative of the rights of the participant on whose behalf the AVP is downloading data.
 - a. A participant, non-principal broker or sales licensee, or AVP may establish the AVP's right to receive and use MLS data by providing to the MLS a writing in which the participant acknowledges its or its non-principal broker's or sales licensee's selection of the AVP to operate a VOW on its behalf.
 - b. An MLS may not charge an AVP, or a participant on whose behalf an AVP operates a VOW, more than a participant that chooses to operate a VOW itself (including any fees or costs associated with a license to receive MLS data, as described in Subsection g., below), except to the extent that the MLS incurs greater costs in providing listing data to the AVP than the MLS incurs in providing listing data to a participant.
 - c. An MLS may not place data security requirements or restrictions on use of MLS listing data by an AVP that are not also imposed on participants.
 - d. An MLS must permit an AVP to download listing information in the same manner (e.g., via a "Real Estate Transaction Standard" [RETS] feed or via a "File Transfer Protocol" [FTP] download), at the same times and with the same frequency that the MLS permits participants to download listing information.
 - e. An MLS may not refuse to deal directly with an AVP in order to resolve technical problems with the data feed. However, the MLS may require that the participant on whose behalf the AVP is operating the VOW participate in such communications if the MLS reasonably believes that the involvement of the participant would be helpful in order to resolve the problem.
 - f. An MLS may not condition an AVP's access to a data feed on the financial terms on which the AVP provides the site for the participant.
 - g. An MLS may require participants and AVPs to execute license or similar agreements sufficient to ensure that participants and AVPs understand and agree that data provided by the MLS may be used only to establish and operate a VOW on behalf of the participant and not for any other purpose.
 - h. An MLS may not:
 - i. prohibit an AVP from operating VOWs on behalf of more than one participant, and several participants may designate an AVP to operate a single VOW for them collectively,
 - ii. limit the number of entities that participants may designate as AVPs for purposes of operating VOWs, or
 - iii. prohibit participants from designating particular entities as AVPs, except that, if an AVP's access has been suspended or terminated by an MLS, that MLS may prevent an entity from being designated an AVP by another participant during the period of the AVP's suspension or termination.
 - i. Except as stated below, an MLS may not suspend or terminate an AVP's access to data:
 - i. for reasons other than those that would allow an MLS to suspend or terminate a participant's access to data, or
 - ii. without giving the AVP and the associated participant(s) prior notice and the process set forth in the applicable provisions of the MLS rules for suspension or termination of a participant's access.
- Notwithstanding the foregoing, an MLS may immediately terminate an AVP's access to data:
- i. if the AVP is no longer designated to provide VOW services to any participant,

- ii. if the participant for whom the AVP operates a VOW ceases to maintain its status with the MLS,
 - iii. if the AVP has downloaded data in a manner not authorized for participants and that hinders the ability of participants to download data, or
 - iv. if the associated participant or AVP has failed to make required payments to the MLS in accordance with the MLS' generally applicable payment policies and practices.
11. An MLS may not prohibit, restrict, or impede a participant from referring Registrants to any person or from obtaining a fee for such referral.

IV. Requirements that MLSs May Impose on the Operation of VOWs and Participants

1. An MLS may impose any, all, or none of the following requirements on VOWs, but may impose them only to the extent that equivalent requirements are imposed on participants' use of MLS listing data in providing brokerage services via all other delivery mechanisms.
 - a. A participant's VOW may not make available for search by or display to Registrants the following data, intended exclusively for other MLS participants and their affiliated licensees:
 - i. expired, withdrawn, or pending listings
 - ii. sold data, unless the actual sales price of completed transactions is accessible from public records
 - iii. the compensation offered to other MLS participants
 - iv. the type of listing agreement, i.e., exclusive-right-to-sell or exclusive agency
 - v. the seller(s) and occupant(s) name(s), phone number(s) and e-mail address(es), where available
 - vi. instructions or remarks intended for cooperating brokers only, such as those regarding showing or security of the listed property
 - b. The content of MLS data that is displayed on a VOW may not be changed from the content as it is provided in the MLS. MLS data may be augmented with additional data or information not otherwise prohibited from display as long as the source of such other data or information is clearly identified. This requirement does not restrict the format of MLS data display on VOWs or display of fewer than all of the listings or fewer authorized data fields.
 - c. There shall be a notice on all MLS data displayed indicating that the data is deemed reliable, but is not guaranteed accurate by the MLS. A participant's VOW may also include other appropriate disclaimers necessary to protect the participant and/or the MLS from liability.
 - d. Any listing displayed on a VOW shall identify the name of the listing firm in a readily visible color, and reasonably prominent location, and in typeface not smaller than the median typeface used in the display of listing data.
 - e. The number of current or, if permitted, sold listings that Registrants may view, retrieve, or download on or from a VOW in response to an inquiry may be limited to a reasonable number. Such number shall be determined by the MLS, but in no event may the limit be fewer than one hundred (100) listings or five percent (5%) of the listings in the MLS, whichever is less.
 - f. Any listing displayed on a VOW shall identify the name of the listing agent.
2. An MLS may also impose the following other requirements on the operation of VOWs.
 - a. Participants displaying other brokers' listings obtained from other sources, e.g., other MLSs, non-participating brokers, etc., shall display the source from which each such listing was obtained.
 - b. A maximum period, no shorter than ninety (90) days and determined by the MLS, during which Registrants' passwords are valid, after which such passwords must be changed or reconfirmed.
3. An MLS may not prohibit participants from downloading and displaying or framing listings obtained from other sources, e.g., other MLSs or from brokers not participating in that MLS, etc., but may require either:
 - a. that such information be searched separately from listings obtained from other sources, including other MLSs, or

- b. if such other sources are searched in conjunction with searches of the listings available on the VOW, that any display of listings from other sources identify such other source.

V. Effective Date

MLSs have until not later than February 16, 2009 to adopt rules implementing the foregoing policies and to comply with the provisions of Section III., above, and participants shall have until not later than one hundred eighty (180) days following adoption and implementation of rules by an MLS in which they participate to cause their VOW to comply with such rules.

See Appendix A for Seller Opt-out Form.

Appendix A

Seller Opt-out Form

1. Check one.
 - a. I have advised my broker or sales agent that I do not want the listed property to be displayed on the Internet.
 - b. I have advised my broker or sales agent that I do not want the address of the listed property to be displayed on the Internet.
2. I understand and acknowledge that if I have selected Option a., consumers who conduct searches for listings on the Internet will not see information about the listed property in response to their searches.

Initials of Seller

Model Rules and Regulations for an MLS Operated as a Committee of an Association of REALTORS®

Section 1 Listing Procedures

Listings of real or personal property of the following types, which are listed subject to a real estate broker's license, and are located within the territorial jurisdiction of the multiple listing service, and are taken by participants on exclusive right to sell and exclusive agency listing forms shall be delivered to the MLS within 48 hours after all necessary signatures of seller(s) have been obtained:

- a. Single family homes for sale or exchange.
- b. Vacant lots and acreages for sale and exchange.
- c. Two-family, three-family and four-family residential buildings for sale or exchange.

Note 1: The MLS shall not require a participant to submit listings on a form other than the form the participant individually chooses to utilize provided the listing is of a type accepted by the service, although a property data form may be required as approved by the MLS. However, the MLS, through its legal counsel:

- may reserve the right to refuse to accept a listing form which fails to adequately protect the interest of the public and the participants;
- assure that no listing form filed with the MLS establishes, directly or indirectly, any contractual relationship between the MLS and the client (buyer or seller).

The MLS shall accept exclusive right-to-sell listing contracts and exclusive agency listing contracts, and may accept other forms of agreement which make it possible for the listing broker to offer compensation to the other participants of the MLS acting as subagents, buyer agents, transaction brokers and non-representatives.

The listing agreement must include the seller's written authorization to submit the agreement to the MLS.

The different types of listing agreement include:

- a. exclusive right to sell
- b. exclusive agency
- c. open
- d. net

All listings entered into the MLS MUST have a signed listing agreement by the seller(s) and offer compensation (9/14)

New listings are not allowed to be entered into the MLS system if the property is currently listed under any status other than expired, sold or cancelled. (5/14)

Neighborhood features entered into the MLS system must be on the same Island of the listed property. (5/14)

The physical address of the condo must be entered into the address field, not the condominium name. (5/14)

Agents must enter the minimum and maximum rental time period on all condominium listings. (5/14)

The Seller's name must appear in the MLS system listing, unless the Broker has written authority from the seller stating otherwise. (5/14)

The Service may not accept **net listings** because they are deemed unethical and, in most states, illegal. **Open listings** are not accepted, except where required by law, because the inherent nature of an open listing is such as to usually not include the authority to cooperate and compensate other brokers and inherently provides a disincentive for cooperation.

The **exclusive right-to-sell** listing is the conventional form of listing submitted to the MLS in that the seller authorizes the listing broker to cooperate with and to compensate other brokers.

The **exclusive agency** listing also authorizes the listing broker, as exclusive agent, to offer cooperation and compensation on blanket unilateral bases, but also reserves to the seller the general right to sell the property on an unlimited or restrictive basis. Exclusive agency listings and exclusive right-to-sell listings with named prospects exempted should be clearly distinguished by a simple designation such as a code or symbol from exclusive right-to-sell listings with no named prospects exempt, since they can present special risks of procuring cause controversies and administrative problems not posed by exclusive right-to-sell listings with no named prospects exempted. Care should be exercised to ensure that different codes or symbols are used to denote exclusive agency and exclusive right-to-sell listings with prospect reservations.

NOTE 2: The MLS does not regulate the type of listings its members may take. This does not mean that the MLS must accept every type of listing. The MLS shall decline to accept open listings (except where acceptance is required by law) and net listings and it may limit its service to listings of certain kinds of property. But if it chooses to limit the kind of listings it will accept, it shall leave its members free to accept such listings to be handled outside the MLS.

Note 3: A multiple listing service may, as a matter of local option, accept exclusively listed property that is subject to auction. If such listings do not show a listed price, they may be included in a separate section of the MLS compilation of current listings.

[Auction properties may be entered into the MLS system but must offer compensation. Auction properties that are listed in the MLS system must clearly disclose all conditions of the auction, including all fees associated with placing a bid.](#)

Section 1.1 Types of Properties

Following are some of the types of properties that may be published through the service, including types described in the preceding paragraph that are required to be filed with the service and other types that may be filed with the service at the participant's option provided, however, that any listing submitted is entered into within the scope of the participant's licensure as a real estate broker:

- a. Residential
- b. Residential Income
- c. Subdivided Vacant Lot and Land
- d. Business Opportunity
- e. Motel-Hotel
- f. Mobile Homes
- g. Mobile Home Parks
- h. Commercial Income
- i. Industrial

Section 1.1.1. Listings Subject to Rules and Regulations of the Service

Any listing taken on a contract to be filed with the MLS is subject to the Rules and Regulations of the Service upon signature of the seller(s).

Section 1.2. Detail on Listings Filed with the Service

A listing agreement or property data form, when filed with the MLS by the listing broker, shall be complete in every detail which is ascertainable as specified on the property data form.

All required fields must be entered in order to be placed into the MLS system.

Section 1.2.1. Limited Service Listings

Listing agreements under which the listing broker will not provide one, or more, of the following services:

- a. arrange appointments for cooperating brokers to show listed property to potential purchasers but instead gives cooperating brokers authority to make such appointments directly with the seller(s)
- b. accept and present to the seller(s) offers to purchase procured by cooperating brokers but instead gives cooperating brokers authority to present offers to purchase directly to the seller(s)
- c. advise the seller(s) as to the merits of offers to purchase
- d. assist the seller(s) in developing, communicating, or presenting counter-offers
- e. participate on the seller's(s') behalf in negotiations leading to the sale of the listed property

will be identified with an appropriate code or symbol (e.g., LR or LS) in MLS compilations so potential cooperating brokers will be aware of the extent of the services the listing broker will provide to the seller(s), and any potential for cooperating brokers being asked to provide some or all of these services to listing brokers' clients, prior to initiating efforts to show or sell the property.

Section 1.3. Exempt Listings

If the seller refuses to permit the listing to be disseminated by the service, the participant may then take the listing (office exclusive) and such listing shall be filed with the service but not disseminated to the participants. Filing of the listing should be accompanied by certification signed by the seller that he does not desire the listing to be disseminated by the service.

Section 1.4. Change of Status of Listing

Any change in listed price or other change in the original listing agreement shall be made only when authorized in writing by the seller and shall be filed with the Service within twenty-four (24) hours (excepting weekends, holidays and postal holidays) after the authorized change is received by the listing broker.

When a listed property goes under contract with contingencies the status should be changed to Contingent or Kick Out, when the contingences are removed the status must be changed to pending. (5/14)

Section 1.5. Withdrawal of Listing Prior to Expiration

Listings of property may be withdrawn from the MLS by the listing broker before the expiration date of the listing agreement, provided notice is filed with the service, including a copy of the agreement between the seller and the listing broker which authorizes the withdrawal.

Sellers do not have the unilateral right to require an MLS to withdraw a listing without the listing broker's concurrence. However, when a seller can document that his exclusive relationship with the listing broker has been terminated, the MLS may remove the listing at the request of the seller.

It is not acceptable to solicit for a listing a withdrawn listing as it is still under an active listing agreement. (5/14)

Section 1.6. Contingencies Applicable to Listings

Any contingency or conditions of any term in a listing shall be specified and noticed to the participants.

Section 1.7. Listing Price Specified

The full gross listing price stated in the listing contract will be included in the information published in the MLS compilation of current listings, unless the property is subject to auction.

The listing price cannot be changed while the listed property is under contract. (5/14)

Section 1.8. Listing Multiple Unit Properties

All properties which are to be sold or which may be sold separately must be indicated individually in the listing and on the property data form. When part of a listed property has been sold, proper notification should be given to the MLS.

Section 1.9. No Control of Commission Rates or Fees Charged by Participants

The MLS shall not fix, control, recommend, suggest, or maintain commission rates or fees for services to be rendered by participants. Further, the MLS shall not fix, control recommend, suggest, or maintain the division of commissions or fees between cooperating participants or between participants and nonparticipants.

Section 1.10. Expiration of Listings

Listings filed with the multiple listing service will automatically be removed from the compilation of current listings on the expiration date specified in the agreement, unless prior to that date the MLS receives notice that the listing has been extended or renewed.

If notice of renewal or extension is received after the listing has been removed from the compilation of current listings, the extension or renewal will be published in the same manner as a new listing. Extensions and renewals of listings must be signed by the seller(s) and filed with the service.

Extension to the listing agreement MUST be made prior to the expiration of the listing. (5/14)

Extensions, price and other property detail changes must have written authorization from the seller. (5/14)

Section 1.11. Termination Date on Listings

Listings filed with the service shall bear a definite and final termination date, as negotiated between the listing broker and the seller.

Section 1.12 Jurisdiction

Only listings of the designated types of property located within the jurisdiction of the MLS are required to be submitted to the service. Listings of property located outside the MLS's jurisdiction will be accepted if submitted voluntarily by a participant, but are not required by the service.

Section 1.13. Listings of Suspended Participants

When a participant of the service is suspended from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, association bylaws, MLS bylaws, MLS rules and regulations, or other membership obligations except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS by the suspended participant shall, at the participant's option, be retained in the service until sold, withdrawn or expired, and shall not be renewed or extended by the MLS beyond the termination date of

the listing agreement in effect when the suspension became effective. If a participant has been suspended from the association (except where MLS participation without association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, an association MLS is not obligated to provide MLS services, including continued inclusion of the suspended participant's listings in the MLS compilation of the current listing information. Prior to any removal of suspended participant's listings from the MLS, the suspended participant should be advised in writing of the intended removal so that the suspended participant may advise his clients.

Section 1.14. Listings of Expelled Participants

When a participant of the service is expelled from the MLS for failing to abide by a membership duty (i.e., violation of the Code of Ethics, association bylaws, MLS bylaws, MLS Rules and Regulations, or other membership obligations except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS shall, at the expelled participant's option, be retained in the service until sold, withdrawn, or expired, and shall not be renewed or extended by the MLS beyond the termination date of the listing agreement in effect when the expulsion became effective. If a participant has been expelled from the association (except where MLS participation without association membership is permitted by law) or MLS (or both) for failure to pay appropriate dues, fees or charges, the association MLS is not obligated to provide MLS services, including continued inclusion of the expelled participant's listings in the MLS compilation of current listing information. Prior to any removal of expelled participant's listings from the MLS, the expelled participant should be advised in writing of the intended removal so that the expelled participant may advise his clients.

Section 1.15. Listings of Resigned Participants

When a participant resigns from the MLS, the MLS is not obligated to provide services, including continued inclusion of the resigned participant's listings in the MLS compilation of current listing information. Prior to any removal of resigned participant's listings from the MLS, the resigned participant should be advised in writing of the intended removal so that the resigned participant may advise his clients.

SELLING PROCEDURES

Section 2. Showings and Negotiations

Appointments for showings and negotiations with the seller for the purchase of listed property filed with the MLS shall be conducted through the listing broker, except under the following circumstances:

- a. The listing broker gives the cooperating broker specific authority to show and/or negotiate directly, or
- b. After reasonable effort, the cooperating broker cannot contact the listing broker or his representative; however, the listing broker, at his option, may preclude such direct negotiations by cooperating brokers.
- ~~b.c.~~ All property listed in the MLS system must be available to show unless otherwise noted in the agent remarks of the dates it is unavailable. Any property listed in the MLS system that is not available to show for 30 days or more MUST be temporally withdrawn or cancelled.

Section 2.1. Presentation of Offers

The listing broker must make arrangements to present the offer as soon as possible, or give the cooperating broker a satisfactory reason for not doing so.

Section 2.2. Submission of Written Offers and Counter-offers

The listing broker shall submit to the seller all written offers until closing unless precluded by law, government rule, regulation, or agreed otherwise in writing between the seller and the listing broker. Unless the subsequent offer is contingent upon the termination of an existing contract, the listing broker shall recommend that the seller obtain the advice of legal counsel prior to acceptance of the subsequent offer.

Participants representing buyers or tenants shall submit to the buyer or tenant all offers and counter-offers until acceptance, and shall recommend that buyers and tenants obtain legal advice where there is a question about whether a pre-existing contract has been terminated.

Section 2.3. Right of Cooperating Broker in Presentation of Offer

The cooperating broker (subagent or buyer agent) or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor gives written instructions to the listing broker that the cooperating broker not be present when an offer the cooperating broker secured is presented, the cooperating broker has the right to a copy of the seller's written instruction. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations.

Section 2.4. Right of Listing Broker in Presentation of Counter-offer

The listing broker or his representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except where the cooperating broker is a subagent). However, if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker not be present when a counter-offer is presented, the listing broker has the right to a copy of the purchaser's or lessee's written instructions.

Section 2.5. Reporting Sales to the Service

Status changes, including final closing of sales, shall be reported to the multiple listing service by the listing broker within 24 hours after they have occurred. If negotiations were carried on under Section 2(a) or (b) hereof, the cooperating broker shall report accepted offers to the listing broker within 24 hours after occurrence and the listing broker shall report them to the MLS within 24 hours after receiving notice from the cooperating broker.

NOTE 1: The listing agreement of a property filed with the MLS by the listing broker should include a provision expressly granting the listing broker authority to advertise; to file the listing with the MLS; to provide timely notice of status changes of the listing to the MLS; and to provide sales information including selling price to the MLS upon sale of the property. If deemed desirable by the MLS to publish sales information prior to final closing (settlement) of a sales transaction, the listing agreement should also include a provision expressly granting the listing broker the right to authorize dissemination of this information by the MLS to its Participants.

NOTE 2: In disclosure states, if the sale price of a listed property is recorded, the reporting of the sale price may be required by the MLS.

In states where the actual sale prices of completed transactions are not publicly accessible, failure to report sale prices can result in disciplinary action only if the MLS:

1. categorizes sale price information as confidential and
2. limits use of sale price information to participants and subscribers in providing real estate services, including appraisals and other valuations, to customers and clients; and to governmental bodies and third-party entities only as provided below.

The MLS may provide sale price information to governmental bodies only to be used for statistical purposes (including use of aggregated data for purposes of valuing property) and to confirm the accuracy of information submitted by property owners or their representatives in connection with property valuation challenges; and to third-party entities only to be used for academic research, statistical analysis, or for providing services to participants and subscribers. In any instance where a governmental body or third-party entity makes sale price information provided by the MLS available other than as provided for in this provision, a listing participant may request the sale price information for a specific property be withheld from dissemination for these purposes with written authorization from the seller, and withholding of sale price information from those entities shall not be construed as a violation of the requirement to report sale prices.

NOTE 3: As established in the Virtual Office Website ("VOW") policy, sale prices can only be categorized as confidential in states where the actual sale prices of completed transactions are not accessible from public records.

Section 2.6. Reporting Resolutions of Contingencies

The listing broker shall report to the MLS within twenty-four (24) hours that a contingency on file with the MLS has been fulfilled or renewed, or the agreement canceled.

Section 2.7. Advertising of Listings Filed with the Service

A listing shall not be advertised by any Participant other than the listing broker without the prior consent of the listing broker.

Section 2.8. Reporting Cancellation of Pending Sale

The listing broker shall report immediately to the MLS the cancellation of any pending sale, and the listing shall be reinstated immediately.

Section 2.9. Disclosing the Existence of Offers

Listing brokers, in response to inquiries from buyers or cooperating brokers shall, with the seller's approval, disclose the existence of offers on the property. Where disclosure is authorized, the listing broker shall also disclose if asked whether offers were obtained by the listing licensee, by another licensee in the listing firm, or by a cooperating broker.

Section 2.10 Availability of Listed Property

Listing brokers shall not misrepresent the availability of access to show or inspect listed property.

REFUSAL TO SELL

Section 3. Refusal to Sell

If the seller of any listed property filed with the MLS refuses to accept a written offer satisfying the terms and conditions stated in the listing, such fact should be transmitted immediately to the service and to all participants.

PROHIBITIONS

Section 4. Information for Participants Only

Any listing filed with the service shall not be made available to any broker or firm not a member of the MLS without prior consent of the listing broker.

Section 4.1. "For Sale" Signs

Only the "For Sale" sign of the listing broker may be placed on a property.

Section 4.2. "Sold" Signs

Prior to closing, only the "sold" sign of the listing broker may be placed on a property unless the listing broker authorizes the cooperating broker (selling broker) to post such a sign.

Section 4.3. Solicitation of Listing Filed with the Service

Participants shall not solicit a listing on property filed with the service unless such solicitation is consistent with Article 16 of the REALTORS®' Code of Ethics, its Standards of Practice and its Case Interpretations.

NOTE: This Section is to be construed in a manner consistent with Article 16 of the Code of Ethics and particularly Standard of Practice 16-3. This Section is intended to encourage sellers to permit their properties to be filed with the service by protecting them from being solicited, prior to expiration of the listing, by brokers and salespersons seeking the listing upon its expiration.

Without such protection, a seller could receive hundreds of calls, communications, and visits from brokers and salespersons who have been made aware through MLS filing of the date the listing will expire and desire to substitute themselves for the present broker.

This section is also intended to encourage brokers to participate in the service by assuring them that other participants will not attempt to persuade the seller to breach the listing agreement or to interfere with their attempts to market the property. Absent the protection afforded by this section, listing brokers would be most reluctant to generally disclose the identity of the seller or the availability of the property to other brokers.

This section does not preclude solicitation of listings under the circumstances otherwise recognized by the Standards of Practice related to Article 16 of the Code of Ethics.

Section 4.4 Use of the Terms MLS and Multiple Listing Service

No MLS participant, subscriber or licensee affiliated with any participant shall, through the name of their firm, their URLs, their e-mail addresses, their website addresses, or in any other way represent, suggest, or imply that the individual or firm is an MLS, or that they operate an MLS. Participants, subscribers and licensees affiliated with participants shall not represent, suggest, or imply that consumers or others have direct access to MLS databases, or that consumers or others are able to search MLS databases available only to participants and subscribers. This does not prohibit participants and subscribers from representing that any information they are authorized under MLS rules to provide to clients or customers is available on their websites or otherwise

Section 4.5 Only One Listing for the Same Property May be on the MLS

In the event that a buyer, under a contract for sale and purchase resulting from a current MLS listing lists the property for resale, the MLS shall not accept the listing until after the closing occurs. Thus, only one listing for the same property may be on the MLS at one time. (4/05)

DIVISION OF COMMISSIONS

Section 5 Compensation Specified on Each Listing

The listing broker shall specify, on each listing filed with the multiple listing service, the compensation offered to other multiple listing service participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker's performance as the procuring cause of the sale (or lease) or as otherwise provided for in this rule. The listing broker's obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation offered through MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the listing broker to collect some or all of the commission established in the listing agreement; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing agreement might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing agreement might not be paid.

In filing a property with the MLS of an association of REALTORS, the participant of the service is making blanket unilateral offers of cooperation to the other MLS participants, and shall therefore specify on each listing filed with the service, the compensation being offered to the other MLS participants. Specifying the compensation on each listing is necessary because the cooperating broker has the right to know what his compensation shall be prior to his endeavor to sell.¹

¹ The compensation specified on listings filed with the MLS shall appear in one of two forms. The essential and appropriate requirement by an Association MLS is that information to be published shall clearly inform the Participants as to the compensation they will receive in cooperative transaction unless advised otherwise by the listing broker in writing in advance of submitting an offer to purchase. The compensation specified on listings published by the MLS shall be shown in one of the following forms:

1. By showing a percentage of the gross selling price.
2. By showing a definite dollar amount.

The listing broker retains the right to determine the amount of compensation offered to other participants (acting as subagents, buyer agents, or in other agency or non-agency capacities defined by law) which may be the same or different.

This shall not preclude the listing broker from offering any MLS participant compensation other than the compensation indicated on any listing published by the MLS, provided the listing broker informs the other broker, in writing, in advance of submitting an offer to purchase, and provided that the modification in the specified compensation is not the result of any agreement among all or any other participants in the service. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a flat dollar amount.

- Note 1: The MLS shall not have a rule requiring the listing broker to disclose the amount of total negotiated commission in his listing contract, and the association MLS shall not publish the total negotiated commission on a listing which has been submitted to the MLS by a participant. The association MLS shall not disclose in any way the total commission negotiated between the seller and the listing broker.
- Note 2: The listing broker may, from time to time, adjust the compensation offered to other MLS participants for their services with respect to any listing by advance published notice to the service so that all participants will be advised.
- Note 3: The MLS shall make no rule on the division of commissions between participants and nonparticipants. This should remain solely the responsibility of the listing broker.
- Note 4: Multiple Listing Services, at their discretion, may adopt rules and procedures enabling listing brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval, and that compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court. In such instances, the fact that the gross commission is subject to court approval and either the potential reduction in compensation payable to cooperating brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers prior to the time they submit an offer that ultimately results in a successful transaction.
- Note 5: Nothing in these MLS rules precludes a listing participant and a cooperating participant, as a matter of mutual agreement, from modifying the cooperative compensation to be paid in the event of a successful transaction.
- Note 6: Multiple listing services must give participants the ability to disclose to other participants any potential for a short sale. As used in these rules, short sales are defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale, and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies. Multiple listing services may, as a matter of local discretion, require participants to disclose potential short sales when participants know a transaction is a potential short sale. In any instance where a participant discloses a potential short sale, they must also be permitted to communicate to other participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between listing and cooperating participants. All confidential disclosures and confidential information related to short sales must be communicated through dedicated fields or confidential "remarks" available only to participants and subscribers.

Note 7: While MLSs are not required to authorize participants to offer While MLSs are not required to authorize participants to offer cooperative compensation based on net sale prices, those that do permit such offers must define "seller concessions" for purposes other than new construction, unless that term is defined by applicable

state law or regulation. The following definition of “seller concessions” is suggested but not required for adoption:

Points paid by seller on behalf of buyer, seller-paid buyer closing costs, cash or cash allowances not escrowed, down payment assistance, additions or alterations not considered deferred maintenance, and personal property not usual and customary to such transactions conveyed from seller to buyer having an agreed upon monetary value. (Adopted 05/12)

Section 5.0.1 Disclosing Potential Short Sales

Participants must disclose potential short sales (defined as a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies) when reasonably known to the listing participants.

When disclosed, participants may, at their discretion, advise other participants whether and how any reduction in the gross commission established in the listing agreement, required by the lender as a condition of approving the sale, will be apportioned between listing and cooperating participants.

Where participants communicate to other participants how any reduction in the gross commission established in the listing contract required by the lender as condition of approving the sale will be apportioned between the listing and cooperating participants, listing participants shall disclose to cooperating participants in writing the total reduction in the gross commission and the amount by which the compensation payable to the cooperating broker will be reduced within 24 hours of receipt of notification from the lender.

Section 5.1 Participant as Principal

If a participant or any licensee (or licensed or certified appraiser) affiliated with a participant has any ownership interest in a property, the listing of which is to be disseminated through the MLS, that person shall disclose that interest when the listing is filed with the MLS and such information shall be disseminated to all MLS participants.

Section 5.2 Participant as Purchaser

If a participant or any licensee (including licensed and certified appraisers) affiliated with a participant wishes to acquire an interest in property listed with another participant, such contemplated interest shall be disclosed, in writing, to the listing broker not later than the time an offer to purchase is submitted to the listing broker.

Section 5.3 Dual or Variable Rate Commission Arrangements

The existence of a dual or variable rate commission agreement (i.e., one in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker without assistance and a different commission if the sale/lease results through the efforts of a cooperating broker; or one in which the seller/landlord agrees to pay a specified commission if the property is sold/lease by the listing broker either with or without the assistance of a cooperating broker and a different commission if the sale/lease results through the efforts of the seller/landlord) shall be disclosed by the listing broker by a key, code or symbol as required by the MLS. The listing broker shall, in response to inquires from potential cooperating brokers, disclose the differential that would result in either a cooperative transaction, or alternatively in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease.

SERVICE CHARGES

Section 6 Service Fees and Charges

The following service charges for operation of the MLS are in effect to defray the costs of the service and are subject to change from time to time as determined by the MLS committee, subject to approval of the Board of Director's.

- (a) Initial Participation Fee: An applicant for participation in the service shall pay an application fee of \$500.00 with such fee to accompany the application.
NOTE: The initial participation fee shall approximate the cost of bringing the service to the participant.
- (b) Recurring Access Fee: Access fees for each participant shall be in the amount of \$40.00 per month if paid by check annually or semiannually, if paid other than annual or semiannual such as monthly the fee is \$50 per month times each licensee whether licensed as a broker or salesperson who is employed by or affiliated as an Independent Contractor with the participant.
- (c) Billing Statements: Billing statements shall be addressed to the participant on the last day of each month for that month's services.
- (d) Payment Due: Payment of MLS fees shall be made within ten (10) days of billing. Services may be suspended if payment is not made within 30 days. Payment in full is required to the MLS by the participant.

Section 6.1 MLS FINES:

These Rules and Regulations are set up to give the buying and selling public the best possible service and to provide proper and equitable cooperation between participants. The listing office will be notified if there is a violation of the MLS Rules and Regulations.

- (a) For not inputting a new listing with the computer service 48 hours after all signatures have been obtained unless they have a signed request by the seller to not place in the MLS, the listing member shall receive a warning, quoting the current policy for the first offense. The second will incur an assessment of \$50. The third offense will incur an assessment of \$100.
- (b) For incorrect information on a listing, personal contact information/and or company information in Virtual Tours, documents, consumer remarks, and photos on a listing, and/or non mapping of properties, the listing member shall receive a warning quoting the current policy for the first offense. The second will incur an assessment of \$50. The third offense will incur an assessment of \$100.
- (c) For failing to report status changes within 24 hours after all necessary signatures have been obtained, the listing member shall receive a warning, quoting the current policy for the first offense. The second will incur an assessment of \$50. The third offense will incur an assessment of \$100.
- (d) For not complying with a requested listing audit, sold audit, or status change audit within 24 hours after the requested date, the listing member shall receive a warning quoting the current policy for the first offense. The second will incur an assessment of \$50. The third offense will incur an assessment of \$100.
- (e) For use of photographs that are not yours without prior written authorization of photograph owner, the listing member shall receive a warning quoting the current policy for the first offense. The second will incur an assessment of \$50. The third offense will incur an assessment of \$100.
- (f) For Including Branding Information such as: Agent Contact Information, Phone Number, Email Address, Website Address, Company Logo, Visible Yard Sign, Agent Photo, or other non-property descriptive text on photos, tours and videos on any part of an MLS Listing except (agent remarks), the listing member shall receive a warning quoting the current policy for the first offense. The second will incur an assessment of \$50. The third offense will incur an assessment of \$100.

(g) For Violation of any IDX Rule, the listing member shall receive suspension of Data feed and a warning quoting the current policy for the first offense. The second will incur an assessment of \$50. The third offense will incur an assessment of \$100.

(h) For providing MLS Access to an unauthorized party, the listing member shall receive a \$5,000.00 dollar fine. (rev 1/15)

(i) For Caravan “No Show’s” on a Lower Keys caravan may be subjected to a \$25.00 fine. A “No show” is defined as a agent that that places a property on the caravan and then does not show up to open the house for the caravan (rev 5/14)

(j) MLS Bulk Email is for official Real Estate Business Emails only. (Such as: MLS Listing Updates, Open Houses, Rental Requests, etc.) MLS Bulk email is not allowed for any personal use. (Such as but no limited to: Any Non-Real Estate Issues, Party Invites, Personal Property for Sale, Complaints of any type, etc.) Subject to possible suspension or revocation of MLS Data Access and Feed. \$100 - \$500 1st violation, \$500 - \$1000 2nd violation, \$1000 - \$5000 3rd Violation. (rev 11/16)

(d)(k) No use of deceptive or misleading representation of property condition. The listing member shall receive a warning quoting the current policy for the first offense. The second will incur an assessment of \$50. The third offense will incur an assessment of \$100. (rev 2/18)

COMPLIANCE WITH RULES

Section 7 Authority to Impose Discipline

By becoming and remaining a participant or subscriber in this MLS, each participant and subscriber agrees to be subject to the rules and regulations and any other MLS governance provision. The MLS may, through the administrative and hearing procedures established in these rules, impose discipline for violations of the rules and other MLS governance provisions. Discipline that may be imposed may only consist of one or more of the following:

- a. letter of warning
- b. letter of reprimand
- c. attendance at MLS orientation or other appropriate courses or seminars which the participant or subscriber can reasonably attend taking into consideration cost, location, and duration
- d. appropriate, reasonable fine not to exceed \$15,000
- e. probation for a stated period of time not less than thirty (30) days nor more than one (1) year
- f. suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year
- g. termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years

Section 7.1 Compliance with Rules

The following action may be taken for noncompliance with the rules:

- a. for failure to pay any service charge or fee within one (1) month of the date due, and provided that at least ten (10) days’ notice has been given, the service shall be suspended until service charges or fees are paid in full
- b. for failure to comply with any other rule, the provisions of Sections 9 and 9.1 shall apply

Note: Generally, warning, censure, and the imposition of a moderate fine are sufficient to constitute a deterrent to violation of the rules and regulations of the multiple listing service. Suspension or termination is an extreme sanction to be used in cases of extreme or repeated violation of the rules and regulations of the service. If the MLS desires to establish a series of moderate fines, they should be clearly specified in the rules and regulations.

Section 7.2 Applicability of Rules to Users and/or Subscribers

Non-principal brokers, sales licensees, appraisers, and others authorized to have access to information published by the MLS are subject to these rules and regulations and may be disciplined for violations thereof provided that the user or subscriber has signed an agreement acknowledging that access to and use of MLS information is contingent on compliance with the rules and regulations. Further, failure of any user or subscriber to abide by the rules and/or any sanction imposed for violations thereof can subject the participant to the same or other discipline. This provision does not eliminate the participant's ultimate responsibility and accountability for all users or subscribers affiliated with the participant.

Note: Adoption of Section 7.2 is optional and should be adopted by multiple listing services desiring to establish authority to impose discipline on non-principal users or subscribers affiliated with MLS members or participants.

MEETINGS

Section 8 Meetings of the MLS Committee

The MLS committee shall meet for the transaction of its business at a time and place to be determined by the committee or at the call of the chairperson.

Section 8.1 Meetings of MLS Participants

The committee may call meetings of the participants in the service to be known as meetings of the MLS.

Section 8.2 Conduct of the Meetings

The chairperson or vice chairperson shall preside at all meetings or, in their absence, a temporary chairperson from the membership of the committee shall be named by the chairperson or, upon his failure to do so, by the committee.

ENFORCEMENT OF RULES OR DISPUTES

Section 9 Consideration of Alleged Violations

The Committee shall give consideration to all written complaints having to do with violations of the rules and regulations.

Section 9.1 Violations of Rules and Regulations

If the alleged offense is a violation of the rules and regulations of the service and does not involve a charge of alleged unethical conduct or request for arbitration, it may be administratively considered and determined by the MLS committee, and if a violation is determined, the committee may direct the imposition of sanction, provided the recipient of such sanction may request a hearing before the professional standards committee of the association in accordance with the bylaws and rules and regulations of the association within twenty (20) days following receipt of the committee's decision.

If, rather than conducting an administrative review, the MLS committee has a procedure established to conduct hearings, the decision of the MLS committee may be appealed to the board of directors of the association within twenty (20) days of the decision being rendered. Alleged violations involving unethical conduct shall be referred to the association's grievance committee for processing in accordance with the

professional standards procedures of the association. If the charge alleges a refusal to arbitrate, such charge shall be referred directly to the board of directors of the association.

If the alleged offense is a violation of the rules and regulations of the service and does not involve a charge of alleged violation of one or more of the provisions of Section 16 of the rules and regulations or a request for arbitration, it may be administratively considered and determined by the MLS committee and if a violation is determined, the MLS committee may direct the imposition of sanction provided that the recipient of such sanction may request a hearing by the professional standards committee of the association in accordance with the bylaws of the association.

If, rather than conducting an administrative review, the MLS committee has a procedure established to conduct hearings, the decision of the hearing tribunal may be appealed to the board of directors of the association. Alleged violations of Section 16 of the rules and regulations shall be referred to the association's grievance committee for processing in accordance with the professional standards procedures of the association, except that if the charge alleges a refusal to arbitrate, such charge shall be referred directly to the board of directors of the association.

Section 9.2 Complaints of Unethical Conduct

All other complaints of unethical conduct shall be referred by the committee to the secretary of the association of REALTORS for appropriate action in accordance with the professional standards procedures established in the association's bylaws.

CONFIDENTIALITY OF MLS INFORMATION

Section 10 Confidentiality of MLS Information

Any information provided by the MLS to the participants shall be considered official information of the service. Such information shall be considered confidential and exclusively for the use of participants and real estate licensees affiliated with such participants and those participants who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property and licensed or certified appraisers affiliated with such participants.

Section 10.1 MLS Not Responsible for Accuracy of Information

The information published and disseminated by the service is communicated verbatim, without change by the service, as filed with the service by the participant. The service does not verify such information provided and disclaims any responsibility for its accuracy. Each participant agrees to hold the service harmless against any liability arising from any inaccuracy or inadequacy of the information such participant provides.

Section 10.2 Access to Comparable and Statistical Information

Association Members who are actively engaged in real estate brokerage, management, mortgage financing, appraising, land development, or building, but who do not participate in the MLS, are nonetheless entitled to receive, by purchase or lease, all information other than current listing information that is generated wholly or in part by the MLS including "comparable" information, "sold" information, and statistical reports. This information is provided for the exclusive use of Association Members and individuals affiliated with Association Members who are also engaged in the real estate business and may not be transmitted, retransmitted or provided in any manner to any unauthorized individual, office or firm except as otherwise provided in these Rules and Regulations.

OWNERSHIP OF MLS COMPILATIONS¹ AND COPYRIGHTS

Section 11

By the act of submitting any property listing content to the MLS, the participant represents that he has been authorized to grant and also thereby does grant authority for the MLS to include the property listing content in its copyrighted MLS compilation and also in any statistical report on comparables. Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information, and other details or information related to listed property.

Section 11.1

All right, title, and interest in each copy of every multiple listing compilation created and copyrighted by the Marathon and Lower Keys Association of REALTORS®, and in the copyrights therein, shall at all times remain vested in the Marathon and Lower Keys Association of REALTORS®.

Section 11.2

Each participant shall be entitled to lease from the Marathon and Lower Keys Association of REALTORS® a number of copies of each MLS Compilation sufficient to provide the participant and each person affiliated as a licensee including licensed or certified appraisers with such participant with one copy of such compilation. The participant shall pay, for each such copy, the rental fee set by the Association.²

Participants shall acquire by such lease only the right to use the MLS compilations in accordance with these rules.

USE OF COPYRIGHTED MLS COMPILATIONS

Section 12 Distribution

Participants shall, at all times, maintain control over and responsibility for each copy of any MLS compilation leased to them by the association, and shall not distribute any such copies to persons other than subscribers who are affiliated with such participant as licensees, those individuals who are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property, and any other subscribers as authorized pursuant to the governing documents of the MLS. Use of information developed by or published by an association's MLS is strictly limited to the activities authorized under a participant's licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation, or membership or any right of access to information developed by or published by an association's MLS where access to such information is prohibited by law.

Section 12.1 Display

Participants and those persons affiliated as licensees with such participants shall be permitted to display the MLS compilation to prospective purchasers only in conjunction with their ordinary business activities of attempting to locate ready, willing and able buyers for the properties described in said MLS compilation.

¹The term MLS compilation, as used in Sections 11 and 12 herein, shall be construed to include any format in which property listing data is collected and disseminated to the participants, including but not limited to bound book, loose-leaf binder, computer database, card file, or any other format whatsoever.

² This section should not be construed to require the participant to lease a copy of the MLS compilation for any licensee (or licensed or certified appraiser) affiliated with the participant who is engaged exclusively in a specialty of the real estate business other than listing, selling, or appraising the types of properties which are required to be filed with the MLS and who does not, at any time, have access to or use of the MLS information or MLS facility of the association.

Section 12.2 Reproduction

Participants or their affiliated licensees shall not reproduce any MLS compilation or any portion thereof except in the following limited circumstances:

Participants or their affiliated licensees may reproduce from the MLS compilation and distribute to prospective purchasers, a reasonable¹ number of single copies of property listing data contained in the MLS compilation which relate to any properties in which prospective purchasers are or may, in the judgment of the Participant or their affiliated licensees, be interested.

Reproductions made in accordance with this rule shall be prepared in such a fashion that the property listing data of properties other than that in which the prospective purchaser has expressed interest, or in which the Participant or the affiliated licensees are seeking to promote interest, does not appear on such reproduction.

Nothing contained herein shall be construed to preclude any participant from utilizing, displaying, distributing, or reproducing property listing sheets or other compilations of data pertaining exclusively to properties currently listed for sale with the participant.

Any MLS information, whether provided in written or printed form, provided electronically, or provided in any other form or format, is provided for the exclusive use of the participant and those licensees affiliated with the participant who are authorized to have access to such information. Such information may not be transmitted, retransmitted, or provided in any manner to any unauthorized individual, office or firm.

It is specifically prohibited for any member of the Multiple Listing Service to allow any other person, not a member or otherwise specifically authorized, to access any multiple listing service data. Violation of this rule is punishable by expulsion, suspension of membership, and/or a fine not to exceed \$5000. Any alleged violation of this rule shall be determined and the punishment decided by a hearing panel appointed in accordance with the procedures for the conduct of an ethics hearing, as the Association shall adopt from time to time in accordance with the National Association of Realtors Code of Ethics and Arbitration Manual. The case against the alleged violator shall be presented by such person as shall be designated by the Chairperson of the Grievance Committee. Appeals from the decision of the panel shall also be conducted in accordance with the procedures and rules applicable to ethics hearings.

None of the foregoing shall be construed to prevent any individual legitimately in possession of current listing information, sold information, "comparables," or statistical information from utilizing such information to support an estimate of value on a particular property for a particular client. However, only such information that the association or association-owned MLS has deemed to be non-confidential and necessary to support the estimate of value may be reproduced and attached to the report as supporting documentation. Any other use of such information is unauthorized and prohibited by these rules and regulations.

USE OF MLS INFORMATION

Section 13 Limitations on Use of MLS Information

¹ It is intended that the participant be permitted to provide prospective purchasers with listing data relating to properties which the prospective purchaser has a bona fide interest in purchasing or in which the participant is seeking to promote interest. The term reasonable, as used herein, should therefore be construed to permit only limited reproduction of property listing data intended to facilitate the prospective purchaser's decision-making process in the consideration of a purchase. Factors which shall be considered in deciding whether the reproductions made are consistent with this intent and thus reasonable in number, shall include, but are not limited to, the total number of listings in the MLS compilation, how closely the types of properties contained in such listings accord with the prospective purchaser's expressed desires and ability to purchase, whether the reproductions were made on a selective basis, and whether the type of properties contained in the property listing data is consistent with a normal itinerary of properties which would be shown to the prospective purchaser.

Use of information from MLS compilation of current listing information, from the association's statistical report, or from any sold or comparable report of the association or MLS for public mass-media advertising by an MLS participant or in other public representations, may not be prohibited.

However, any print or non-print forms of advertising or other forms of public representations based in whole or in part on information supplied by the association or its MLS must clearly demonstrate the period of time over which such claims are based and must include the following, or substantially similar, notice:

“Based on information from the Marathon and Lower Keys Association of REALTORS® (alternatively, from the Marathon and Lower Keys Association of REALTORS® MLS) for the period (date) through (date).”

Appraisers who are members shall use the information solely for the purpose of providing background and comparable information for appraisals in connection with the purchase, sale, lease, ownership, financing and refinancing of real property and for other similar uses. Members shall use information with respect to any real property for the preparation of calculations, appraisals or reports only for lenders, sellers, or buyers of such real property.

CHANGES IN RULES AND REGULATIONS

Section 14 Changes in Rules and Regulations

Amendments to the rules and regulations of the service shall be made by a two-thirds vote of the members of the MLS committee, subject to approval by the board of directors of the association.

ARBITRATION OF DISPUTES

Section 15 Arbitration of Disputes

By becoming and remaining a participant, each participant agrees to arbitrate contractual issues and questions, and specific non-contractual issues and questions defined in Standard of Practice 17-4 of the Code of Ethics with MLS participants in different firms arising out of their relationships as MLS participants subject to the following qualifications:

- a. If all disputants are members of the same association of REALTORS® or have their principal place of business within the same association’s territorial jurisdiction, they shall arbitrate pursuant to the procedures of that association of REALTORS®
- b. If the disputants are members of different association of REALTORS® or if their principal place of business is located within the territorial jurisdiction of different associations of REALTORS®, they remain obligated to arbitrate in accordance with the procedures of the Florida Association of REALTORS.

Interboard Arbitration Procedures: Arbitration shall be conducted in accordance with any existing interboard agreement or, alternatively, in accordance with the interboard arbitration procedures in the *Code of Ethics and Arbitration Manual* of the National Association of REALTORS®. Nothing herein shall preclude participants from agreeing to arbitrate the dispute before a particular association of REALTORS®.

STANDARDS OF CONDUCT FOR MLS PARTICIPANTS

Section 16.1

MLS Participants shall not engage in any practice or take any action inconsistent with the exclusive representation or exclusive brokerage relationship agreements that other MLS Participants have with clients.

Section 16.2

Signs giving notice of property for sale, rent, lease or exchange shall not be placed on property without the consent of the seller/landlord.

Section 16.3

MLS participants acting as subagents or as buyer/tenant representatives or brokers shall not attempt to extend a listing broker's offer of cooperation and/or compensation to other brokers without the consent of the listing broker.

Section 16.4

MLS participants shall not solicit a listing currently listed exclusively with another broker. However, if the listing broker, when asked by the MLS participant, refuses to disclose the expiration date and nature of such listing;(i.e., and exclusive right to sell, an exclusive agency, open listing, or other form of contractual agreement between the listing broker and the client) the MLS participant may contact the owner to secure such information and may discuss the terms upon which the MLS participant might take a future listing or, alternatively, may take a listing to become effective upon expiration of an existing exclusive listing.

Section 16.5

MLS participants shall not solicit buyer/tenant agency agreements from buyers/tenants who are subject to exclusive buyer/tenant agreements. However, if asked by an MLS participant, the broker refuses to disclose the expiration date of the exclusive buyer/tenant agreement, the MLS participant may contact the buyer/tenant to secure such information and may discuss the terms upon which the MLS participant might enter into a future buyer/tenant agreement or, alternatively, may enter into a buyer/tenant agreement to become effective upon the expiration of any existing exclusive buyer/tenant agreement.

Section 16.6

MLS participants shall not use information obtained from listing brokers through offers to cooperate made through multiple listing services or through other offers of cooperation to refer listing brokers' clients to other brokers or to create buyer/tenant relationships with listing brokers' clients, unless such use is authorized by listing brokers.

Section 16.7

The fact that an agreement has been entered into with an MLS participant shall not preclude or inhibit any other MLS participant from entering into a similar agreement after the expiration of the prior agreement.

Section 16.8

The fact that a prospect has retained an MLS participant as an exclusive representative or exclusive broker in one or more past transactions does not preclude other MLS participants from seeking such prospect's future business.

Section 16.9

MLS participants are free to enter into contractual relationships or to negotiate with sellers/landlords, buyers/tenants or others who are not subject to an exclusive agreement but shall not knowingly obligate them to pay more than one commission except with their informed consent.

Section 16.10

When MLS participants are contacted by the client of another MLS participant regarding the creation of an exclusive relationship to provide the same type of service, and MLS participants have not directly or indirectly initiated such discussion, they may discuss the terms upon which they might enter into a future agreement or, alternatively, may enter into an agreement which becomes effective upon expiration of any existing exclusive agreement.

Section 16.11

In cooperative transactions, MLS participants shall compensate cooperating MLS participants (principal brokers) and shall not compensate nor offer to compensate, directly or indirectly, any of the sales licensees employed by or affiliated with other MLS participants without the prior express knowledge and consent of the cooperating broker.

Section 16.12

MLS participants are not precluded from making general announcements to prospects describing their services and the terms of their availability even though some recipients may have entered into agency agreements or other exclusive relationships with another MLS participant. A general telephone canvass, general mailing, or distribution addressed to all prospects in a given geographical area or in a given profession, business, club, or organization, or other classification or group deemed "general" for the purposes of this rule.

The following types of solicitation are prohibited:

Telephone and personal solicitations of property owners who have been identified by a real estate sign, multiple listing compilation, or other information service as having exclusively listed their property with another MLS participant; and mail and other forms of written solicitations of prospects whose properties are exclusively listed with another MLS participant when such solicitations are not part of a general mailing but are directed specifically to property owners identified through compilations of current listings, for sale or for rent signs, or other sources of information intended to foster cooperation with other MLS participants.

Section 16.13

MLS participants, prior to entering into a representation agreement, have an affirmative obligation to make reasonable efforts to determine whether the prospect is subject to a current, valid exclusive agreement to provide the same type of real estate service.

Section 16.14

MLS participants, acting as buyer or tenant representatives or brokers, shall disclose that relationship to the seller/landlord's representative or broker at first contact and shall provide written confirmation of that disclosure to the seller/landlord's representative or broker not later than execution of a purchase agreement or lease.

Section 16.15

MLS participants, acting as buyers or tenant representatives or brokers, shall disclose that relationship to the seller/landlord's representative at first contact and shall provide written confirmation of such disclosure to the seller/landlord's representative not later than execution of any purchase or lease agreement.

MLS participants shall make any request for anticipated compensation from the seller/landlord at first contact.

Section 16.16

MLS participants, acting as representatives or brokers of sellers/landlords or a subagents of listing brokers, shall disclose that relationship to buyers/tenants as soon as practicable, and shall provide written confirmation of such disclosure to buyers/tenants not later than execution of any purchase or lease agreement.

Section 16.17

MLS participants are not precluded from contacting the client of another broker for the purpose of offering to provide, or entering into a contract to provide, a different type of real estate service unrelated to the type of service currently being provided (e.g., property management as opposed to brokerage) or from offering the same type of service for property not subject to other brokers' exclusive agreements. However, information received through a multiple listing service or any other offer of cooperation may not be used to target clients of other MLS participants to whom such offers to provide services may be made.

Section 16.18

MLS participants, acting as subagents or as buyer/tenant representatives or brokers, shall not use the terms of an offer to purchase/lease to attempt to modify the listing broker's offer of compensation to subagents or buyer tenant representatives or brokers, or make the submission of an executed offer to purchase/lease contingent on the listing broker's agreement to modify the offer of compensation.

Section 16.19

All dealing concerning property exclusively listed or with buyer/tenants who are subject to an exclusive agreement shall be carried on with the client's representative or broker, and not with the client, except with the consent of the client's representative or broker or except where such dealings are initiated by the client.

Before providing substantive services (such as writing a purchase offer or presenting a CMA) to prospects, MLS participants shall ask prospects whether they are a party to any exclusive representation agreement. MLS participants shall not knowingly provide substantive services concerning a prospective transaction to prospects who are parties to exclusive representation agreements, except with the consent of the prospects' exclusive representatives or at the direction of prospects.

Section 16.20

Participants, users, and subscribers, prior to or after their relationship with their current firm is terminated, shall not induce clients of their current firm to cancel exclusive contractual agreements between the client and that firm. This does not preclude participants from establishing agreements with their associated licensees governing assign ability of exclusive agreements.

Section 16.21

These rules are not intended to prohibit ethical, albeit aggressive or innovative business practices, and do not prohibit disagreements with other MLS participants involving commission, fees, compensation or other forms of payment or expenses.

Section 16.22

MLS participants shall not knowingly or recklessly make false or misleading statements about other real estate professionals, their businesses, or their business practices.

Section 16.23

MLS participants' firm websites shall disclose the firm's name and state(s) of licensure in a reasonable and readily apparent manner.

Websites of licensees affiliated with a participant's firm shall disclose the firm's name and the licensee's state(s) of licensure in a reasonable and readily apparent manner.

Section 16.24

MLS participants shall present a true picture in their advertising and representations to the public, including Internet content posted, and the URLs and domain names they use, and participants may not:

- a. engage in deceptive or unauthorized framing of real estate brokerage websites;
- b. manipulate (e.g., presenting content developed by others) listing and other content in any way that produces a deceptive or misleading result; or
- c. deceptively use metatags, keywords or other devices/methods to direct, drive, or divert Internet traffic;
- d. present content developed by others without either attribution or without permission; or
- e. otherwise mislead consumers.

ORIENTATION

Section 17 Orientation

Any application for MLS participation and any licensee (including licensed or certified appraisers) affiliated with an MLS participant who has access to and use of MLS-generated information shall complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations and computer training related to MLS information entry and retrieval and the operation of the MLS within thirty (30) days after access has been provided.

Participants and subscribers may be required, at the discretion of the MLS, to complete additional training of not more than four (4) classroom hours in any twelve (12) month period when deemed necessary by the MLS to familiarize participants and subscribers with system changes or enhancements and/or changes to MLS rules or policies. Participants and subscribers must be given the opportunity to complete any mandated additional training remotely.

INTERNET DATA EXCHANGE (IDX) POLICY AND RULES

Section 18 IDX Defined

IDX affords MLS participants the ability to authorize limited electronic display of their listings by other participants.

Section 18.1 Authorization

Participants' consent for display of their listings by other participants pursuant to these rules and regulations is presumed unless a participant affirmatively notifies the MLS that the participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a participant refuses on a blanket basis to permit the display of that participant's listings, that participant may not download, frame or display the aggregated MLS data of other participants. Even where participants have given blanket authority for other participants to

display their listings on IDX sites, such consent may be withdrawn on a listing-by-listing basis where the seller has prohibited all Internet display.

A participant may elect to display framed or downloaded active listings of the FLORIDA KEYS MLS (consisting of The Florida Keys Board MLS and the Marathon and Lower Keys Association of REALTORS) on participant's Web site, or a Web site under participant's exclusive and complete control, provided that the participant comply with the rules, regulations and policies of the participant's MLS as may be modified from time to time.

Downloadable data will be made available in a format established at the sole discretion of the Marathon and Lower Keys Association of REALTORS®, Inc. MLS and in accordance with the rules and regulations of The Marathon and Lower Keys Association of REALTORS®, Inc. MLS.

Section 18.2 Participation

Participation in IDX is available to all MLS participants who consent to display of their listings by other participants.

Section 18.2.1

Participants must notify the MLS of their intention to display IDX information and must give the MLS direct access for purposes of monitoring/ensuring compliance with applicable rules and policies.

Section 18.2.2

MLS Participants may not use IDX-provided listings for any purpose other than display as provided for in these rules. This does not require participants to prevent indexing of IDX listings by recognized search engines.

Section 18.2.3

Listings, including property addresses, can be included in IDX displays except where a seller has directed their listing broker to withhold their listing or the listing's property address from all display on the Internet (including, but not limited to, publicly-accessible websites or VOWs).

Section 18.2.4

Participants may select the listings they choose to display on their IDX sites based only on objective criteria including, but not limited to, factors such as geography or location ("uptown", "downtown", etc.), list price, type of property, (e.g., condominiums, cooperatives, single-family detached, multi-family), cooperative compensation offered by listing brokers, type of listing (e.g., exclusive right to sell or exclusive agency), or the level of service being provided by the listing firm. Selection of listings displayed on any IDX site must be independently made by each participant.

Section 18.2.5

Participants must refresh all MLS downloads and IDX displays fed by those downloads at least once every three (3) days.

Section 18.2.6

Except as provided in the IDX policy and these rules, an IDX site or participant or user operating an IDX site or displaying IDX information as otherwise permitted may not distribute, provide, or make any portion of the MLS database available to any person or entity.

Section 18.2.7

Any IDX display controlled by a participant must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. For purposes of the IDX policy and these rules, "control" means the ability to add, delete, modify and update information as required by the IDX policy and MLS rules.

Section 18.2.8

Any IDX display controlled by a participant or subscriber that

- a. allows third-parties to write comments or review about particular listings or displays a hyperlink to such comments or reviews in immediate conjunction with particular listings, or
- b. displays an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing.

either or both of those features shall be disabled or discontinued for the seller's listings at the request of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all displays controlled by participants. Except for the foregoing and subject to Section 18.2.9, a participant's IDX display may communicate the participant's professional judgment concerning any listing. Nothing shall prevent an IDX display from notifying its customers that a particular feature has been disabled at the request of the seller.

Section 18.2.9

Participants shall maintain a means (e.g., e-mail address, telephone number) to receive comments about the accuracy of any data or information that is added by or on behalf of **the participant beyond that supplied by the MLS and that relates to a specific property**. Participants shall correct or remove any false data or information relating to a specific property upon receipt of a communication from the listing broker or listing agent for the property explaining why the data or information is false. However, participants shall not be obligated to remove or correct any data or information that simply reflects good faith opinion, advice or professional judgment.

Section 18.2.10 Display of IDX information by Real Estate Franchise Organizations

~~Participants may provide IDX information to their respective real estate franchise organizations ("franchisors" to be indexed for display on such franchisors' websites, subject to the following requirements and limitations. Failure of a franchisor to comply with the following requirements and limitations can, at the discretion of the MLS, result in suspension or termination of the participant's(s') authority to provide IDX information to the franchisor.~~

- ~~a. Initial search results that provide minimal information (e.g., "thumbnails") are exempt from MLS-required disclosures (e.g., listing firm, listing agent, source of information, notice that information is deemed reliable but is not guaranteed accurate) provided that a direct link to a detailed ("full view") display that includes all required disclosures is provided.~~
- ~~b. Consumers can link directly to a detailed ("full view") display that complies with disclosure/display rules of the source MLS.~~
- ~~c. IDX information cannot be used for any unauthorized purpose.~~

~~d. Inaccurate or incomplete information related to any listing must be promptly corrected by the franchisor at the request of the source MLS.~~

~~e. No advertising may appear on pages displaying IDX information.~~

~~f. IDX listing information cannot be modified, manipulated, or permanently retain.~~

Section 18.3 Display

Display of listing information pursuant to IDX is subject to the following rules:

Section 18.3.1

Listings displayed pursuant to IDX shall contain only those fields of data designated by the MLS. Display of all other fields (as determined by the MLS) is prohibited. Confidential fields intended only for other MLS participants and users (e.g., cooperative compensation offers, showing instructions, property security information, etc.) may not be displayed.

Section 18.3.1.1

The type of listing agreement (e.g., exclusive right to sell, exclusive agency, etc.) may not be displayed.

Section 18.3.2

Participants shall not modify or manipulate information relating to other participants' listings. (This is not a limitation on site design but refers to changes to actual listing data.) MLS data may be augmented with additional data not otherwise prohibited from display so long as the source of the additional data is clearly identified. This requirement does not restrict the format of MLS data display or display of fewer than all of the available listings or fewer authorized data fields.

Section 18.3.5

Non-principal brokers and sales licensees affiliated with IDX participants may display information available through IDX on their own websites subject to their participant's consent and control and the requirements of state law and/or regulation.

Section 18.3.7

All listings displayed pursuant to IDX shall show the MLS as the source of the information. Displays of minimal information (e.g., "thumbnails", text messages, "tweets", etc., of two hundred [200] characters or less) are exempt from this requirement but only when linked directly to a display that includes all required disclosures.

Section 18.3.8

Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively for consumers' personal, non-commercial use, that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that the data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its discretion, require use of other disclaimers as necessary to protect participants and/or the MLS from liability. Displays of minimal information (e.g., "thumbnails", text messages, "tweets", etc., of two hundred (200) characters or less are exempt from this requirement but only when linked directly to a display that includes all required disclosures. (Amended 5/12) (Amended 11/14)

~~Participants (and their affiliated licensees, if applicable) shall indicate on their websites that IDX information is provided exclusively for consumers' personal, non-commercial use, that it may not be used for any purpose other than to identify prospective properties consumers may be interested in purchasing, and that data is deemed reliable but is not guaranteed accurate by the MLS. The MLS may, at its discretion, require use of other disclaimers as necessary to protect participants and/or the MLS from liability.~~

Section 18.3.13

Display of seller's(s') and/or occupant's(s') name(s), phone number(s), and email address(es) is prohibited.

Section 18.3.16

Advertising (including co-branding) on pages displaying IDX-provided listings is prohibited.

Section 18.3.17

If a thumbnail view of listing is provided on the site, then the Participant must display the MLS logo on each listing not owned by the Participant with an indication that the logo represents listings not owned by the displaying Participant. All detailed listing information must also display the MLS logo indicating that the listing is not owned by the displaying broker. (See disclosure requirements.)

Section 18.3.18

Any Participant utilizing the download function for MLS data must enter into a "Downloading Agreement" prior to any data being displayed from The Marathon and Lower Keys Association of REALTORS®, Inc. MLS. All downloads will be by the method and in the format set forth by The Marathon and Lower Keys Association of REALTORS®, Inc. MLS, at their sole discretion for Participants use.

Section 18.3.19

A participant or an agent may choose to use the Smart Frame Solution of the Florida Keys MLS to display MLS active listings. In that case, the Listing Broker's Company name is not required to be listed nor would the use of the MLS Logo be necessary on this site to identify listings not belonging to the displaying Broker.

Section 18.4 Service Fees and Charges

Service fees and charges for participation in IDX shall be as established annually by the Board of Directors.

MLS Required Disclosure on detailed and thumbnail information:

"The data relating to real estate for sale on this web site comes in part from the Internet Data Exchange program of the Marathon and Lower Keys Association of REALTORS®, Inc. MLS. Real Estate listings held by brokerage firms other than (name of displaying real estate firm) are marked with the MLS logo and detailed information about them includes the name of the listing broker's office."



Section 19.1 VOW Defined

- a. A Virtual Office Website ("VOW") is a participant's Internet website, or a feature of a participant's website, through which the participant is capable of providing real estate brokerage services to consumers with whom the participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS Listing Information,

subject to the participant's oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a participant may, with his or her participant's consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the participant's oversight, supervision, and accountability.

- b. As used in Section 21 of these Rules, the term "participant" includes a participant's affiliated non-principal brokers and sales licensees – except when the term is used in the phrases "participant's consent" and "participant's oversight, supervision, and accountability". References to "VOW" and "VOWs" include all VOWs, whether operated by a participant, by a non-principal broker or sales licensee, or by an Affiliated VOW Partner ("AVP") on behalf of a participant.
- c. "Affiliated VOW Partner" ("AVP") refers to an entity or person designated by a participant to operate a VOW on behalf of the participant, subject to the participant's supervision, accountability and compliance with the VOW Policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a participant. No AVP has the right to use MLS Listing Information except in connection with operation of a VOW on behalf of one or more participants. Access by an AVP to MLS Listing Information is derivative of the rights of the participant on whose behalf the AVP operates a VOW.
- d. As used in Section 19 of these Rules, the term "MLS Listing Information" refers to active listing information and sold data provided by participants to the MLS and aggregated and distributed by the MLS to participants.

Section 19.2

- a. The right of a participant's VOW to display MLS Listing Information is limited to that supplied by the MLS(s) in which the participant has participatory rights. However, a participant with offices participating in different MLSs may operate a master website with links to the VOWs of the other offices.
- b. Subject to the provisions of the VOW Policy and these Rules, a participant's VOW, including any VOW operated on behalf of a participant by an AVP, may provide other features, information, or functions, e.g. Internet Data Exchange ("IDX").
- c. Except as otherwise provided in the VOW Policy or in these Rules, a participant need not obtain separate permission from other MLS participants whose listings will be displayed on the participant's VOW.

Section 19.3

- a. Before permitting any consumer to search for or retrieve any MLS Listing Information on his or her VOW, the participant must take each of the following steps:
 - i. The Participant must first establish with that consumer a lawful broker-consumer relationship (as defined by state law), including completion of all actions required by state law in connection with providing real estate brokerage services to clients and customers (hereinafter "Registrants"). Such actions shall include, but are not limited to, satisfying all applicable agency, non-agency, and other disclosure obligations, and execution of any required agreements.
 - ii. The Participant must obtain the name of and a valid email address for, each Registrant. The participant must send an email to the address provided by the Registrant confirming that the Registrant has agreed to the Terms of Use (described in subsection (d) below). The participant must verify that the email address provided by the Registrant is valid and that the Registrant has agreed to the Terms of Use.
 - iii. The participant must require each Registrant to have a user name and a password, the combination of which is different from those of all other Registrants on the VOW. The participant may, at his or her option, supply the user name and password or may allow the Registrant to establish its user name and password. The participant must also assure that any email address is associated with only one user name and password.

- b. The participant must assure that each Registrant's password expires on a date certain but may provide for renewal of the password. The participant must at all times maintain a record of the name, email address, user name, and current password of each Registrant. The participant must keep such records for not less than 180 days after the expiration of the validity of the Registrant's password.
- c. If the MLS has reason to believe that a participant's VOW has caused or permitted a breach in the security of MLS Listing Information or a violation of MLS rules, the participant shall, upon request of the MLS, provide the name, email address, user name, and current password, of any Registrant suspected of involvement in the breach or violation. The participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant.
- d. The participant shall require each Registrant to review and affirmatively to express agreement (by mouse click or otherwise) to a "Terms of Use" provision that provides at least the following:
 - i. That the Registrant acknowledges entering into a lawful consumer-broker relationship with the participant
 - ii. That all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use
 - iii. That the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW
 - iv. That the Registrant will not copy, redistribute, or retransmit any of the information provided, except in connect with the Registrant's consideration of the purchase or sale of an individual property
 - v. That the Registrant acknowledges the MLS' ownership of and the validity of the MLS' copyright in the MLS database
- e. The Terms of Use Agreement may not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the participant. Any agreement entered into at any time between the participant and Registrant imposing a financial obligation on the Registrant or creating representation of the Registrant by the participant must be established separately from the Terms of Use, must be prominently labeled as such, and may not be accepted solely by mouse click.
- f. The Terms of Use Agreement shall also expressly authorize the MLS, and other MLS participants or their duly authorized representatives, to access the VOW for the purposes of verifying compliance with MLS rules and monitoring display of participants' listings by the VOW. The Agreement may also include such other provisions as may be agreed to between the participant and the Registrant.

Section 19.4

A participant's VOW must prominently display an e-mail address, telephone number, or specific identification of another mode of communication (e.g., live chat) by which a consumer can contact the participant to ask questions, or get more information, about any property displayed on the VOW. The participant, or a non-principal broker or sales licensee licensed with the participant, must be willing and able to respond knowledgeably to inquiries from Registrants about properties within the market area served by that participant and displayed on the VOW.

Section 19.5

A participant's VOW must employ reasonable efforts to monitor for, and prevent, misappropriation, "scraping", and other unauthorized use of MLS Listing Information. A participant's VOW shall utilize appropriate security protection such as firewalls as long as this requirement does not impose security obligations greater than those employed concurrently by the MLS.

(NOTE: MLSs may adopt rules requiring participants to employ specific security measures, provided that any security measure required does not impose obligations greater than those employed by the MLS.)

Section 19.6

- a. A Participant's VOW shall not display listings or property addresses of any seller who has affirmatively directed the listing broker to withhold the seller's listing or property address from display on the Internet. The listing broker shall communicate to the MLS that the seller has elected not to permit display of the listing or property address on the Internet. Notwithstanding the foregoing, a participant who operates a VOW may provide to consumers via other delivery mechanisms, such as email, fax, or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet.
- b. A participant who lists a property for a seller who has elected not to have the property listing or the property address displayed on the Internet shall cause the seller to execute a document that include the following (or a substantially similar) provision:

Seller Opt-Out Form

- 1. Please check either Option a or Option b
 - a. I have advised my broker or sales agent that I do not want the listed property to be displayed on the Internet.
 - b. I have advised my broker or sales agent that I do not want the address of the listed property to be displayed on the Internet.
- 2. I understand and acknowledge that, if I have selected option a, consumers who conduct searches for listings on the Internet will not see information about the listed property in response to their search.

initials of seller

- c. The Participant shall retain such forms for at least one year from the date they are signed, or one year from the date the listing goes off the market, whichever is greater.

Section 19.7

- a. Subject to subsection b, below, a participant's VOW may allow third-parties:
 - i. to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or (ii)
 - ii. display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing
- b. Notwithstanding the foregoing, at the request of a seller the participant shall disable or discontinue either or both of those features described in subsection (a) as to any listing of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all participants' websites. Subject to the foregoing and to Section 19.8, a participant's VOW may communicate the participant's professional judgment concerning any listing. A participant's VOW may notify its customers that a particular feature has been disabled at the request of the seller.

Section 19.8

A participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The participant shall correct or remove any false information relating to a specific property within 48 hours following receipt of a communication from the listing broker explaining why the data or information is false. The participant shall not, however, be obligated to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

Section 19.9

A participant shall cause the MLS listing information available on its VOW to be refreshed at least once every three (3) days.

Section 19.10

Except as provided in these rules, the NATIONAL ASSOCIATION OF REALTORS® VOW policy, or any other applicable MLS rules or policies, no participant shall distribute, provide, or make accessible any portion of the MLS listing information to any person or entity.

Section 19.11

A participant's VOW must display the participant's privacy policy informing Registrants of all of the ways in which information that they provide may be used.

Section 19.12

A participant's VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, type of property, cooperative compensation offered by listing broker, and whether the listing broker is a REALTOR®.

Section 19.13

A participant who intends to operate a VOW to display MLS Listing Information must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS participants for purposes of verifying compliance with these rules, the VOW policy, and any other applicable MLS rules or policies.

Section 19.14

A participant may operate more than one VOW himself or herself or through an AVP. A participant who operates his or her own VOW may contract with an AVP to have the AVP operate other VOWs on his or her behalf. However, any VOW operated on behalf of a participant by an AVP is subject to the supervision and accountability of the participant.

Section 19.15

A participant's VOW may not make available for search by, or display to, Registrants any of the following information:

- a. The compensation offered to other MLS participants;
- b. The type of listing agreement, i.e., exclusive right to sell or exclusive agency;
- c. The seller's and occupant's name(s), phone number(s), or e-mail address(es);
- d. Instructions or remarks intended for cooperating brokers only, such as those regarding showings or security of listed property.

Section 19.16

A participant shall not change the content of any MLS listing information that is displayed on a VOW from the content as it is provided in the MLS. The participant may, however, augment MLS listing information with additional information not otherwise prohibited by these rules or by other applicable MLS rules or policies as long as the source of such other information is clearly identified. This rule does not restrict the

format of display of MLS listing information on VOWs or the display on VOWs of fewer than all of the listings or fewer than all of the authorized information fields.

Section 19.17

A participant shall cause to be placed on his or her VOW a notice indicating that the MLS listing information displayed on the VOW is deemed reliable but is not guaranteed accurate by the MLS. A participant's VOW may include other appropriate disclaimers necessary to protect the participant and/or the MLS from liability.

Section 19.20

A participant shall require that Registrants' passwords be reconfirmed or changed every 180 days.

(Note: The number of days passwords remain valid before being changed or reconfirmed must be specified by the MLS in the context of this rule and cannot be shorter than 90 days. Participants may, at their option, require Registrants to reconfirm or change passwords more frequently.)

Section 19.21

A participant may display advertising and the identification of other entities ("co-branding") on any VOW the participant operates or that is operated on his or her behalf. However, a participant may not display on any such VOW deceptive or misleading advertising or co-branding. For purposes of this section, co-branding will be presumed not to be deceptive or misleading if the participant's logo and contact information (or that of at least one participant, in the case of a VOW established and operated on behalf of more than one participant) is displayed in immediate conjunction with that of every other party, and the logo and contact information of all participants displayed on the VOW is as large as the logo of the AVP and larger than that of any third party.

Section 19.22

A participant shall cause any listing displayed on his or her VOW that is obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing.

Section 19.23

A Participant shall cause any listing displayed on his or her VOW obtained from other sources, including from another MLS or from a broker not participating in the MLS, to be searched separately from listings in the MLS.

Section 19.24

Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.

Section 19.25

Where a seller affirmatively directs their listing broker to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to the MLS within 48 hours.

Section 20 Photographs and Listing Information

Listing Broker consents to storage, reproduction, compiling, and distribution of listings and listing information, including photographs to the extent necessary to fulfill the defined purposes of MLS. By submitting photographs or other information, listing broker warrants that it has the rights in submitted information necessary to grant these rights to MLS.

Section 21 Computer Responsibility

The Association MLS has FBS FLEXMLS available for use by the participants for listing, selling and all Multiple Listing activities.

- a. Each participant shall be responsible for the monthly access fee for each licensee, employed by or affiliated as an Independent Contractor with the participant, whether or not that licensee is utilizing the online system of the MLS. Fees will be billed on a monthly basis.
- b. Each participant shall be responsible for entering into the online computer system all listing agreements, sales, terms, price changes, and withdrawals from their inventory. The only exceptions to this will be reinstatement of an expired listing. This function must be done by the MLS.
- c. Listings, sales, terms, price changes and withdrawals must be entered into the MLS computer system by online terminal users within ~~twenty-four~~forty eight (2448) hours after all signatures have been received on the authorized forms.
- d. Sales shall be entered into the MLS computer system with ~~twenty-four~~forty eight (2448) hours after both the buyer and seller has signed the sales contract.
- e. When the sale is closed, canceled or buyer is disqualified, it shall be the responsibility of the Participant to enter this information into the MLS computer system within ~~twenty-four~~forty eight (2448) hours. (rev. 8/14)
- f. The use of all computer functions shall be in accordance with the computer instructions